

I. PURPOSE, SCOPE AND SUMMARY

A. The purpose of this survey is to appraise the responsibilities and authorities of the Deputy Director (Support), establish his position in the organizational scheme of the Agency, and to examine and evaluate the assignment of missions and functions to his Staff including Special Support Assistant, DD/S. In addition, the mission, functions, organization, management, and personnel of the Management Staff and the Office of the General Counsel have been examined and evaluated.

B. The scope of this survey has been limited to the immediate Office of the DD/S and his Staff, the components of the Management Staff and the Office of the General Counsel. No effort has been made to review and re-evaluate the separate components of the DD/S area which have been inspected by the Inspector General previously, but the total effectiveness of the support provided to the operational elements of the Agency has been weighed. In the course of this survey, interviews were held with 107 personnel of the units concerned. Extensive interviews with personnel in the DD/P and DD/I areas also were held.

C. The position of the DD/S in the command structure of the Agency is _____. V not clear. He is responsible for directing activities of inherent application to the Agency as a whole. However, he does not occupy a command position commensurate with such responsibilities and he has not been assigned the authority necessary to discharge them effectively. Deficiencies in the Office of Personnel and in the Management Staff relate directly to the ambiguous position of the DD/S in the Agency command structure. In dealing with the other two Deputies, the DD/S has adopted a staff approach, relying

upon negotiation and mutual agreement to accomplish his mission. This negotiated approach is proving ineffectual in certain key areas and should be re-examined. An Executive Director or Chief of Staff should be established to supervise and coordinate activities transcending the responsibilities of more than one Deputy.

D. The DD/S is making significant progress in providing a unified system of support for the entire Agency. Some support units, such as Communications, think and act as organic support elements of DD/P and are so accepted; others are making progress; and still others, notably Personnel and Logistics, leave room for improvement. Rotation and exchange of personnel is the key to development of a cohesive and unified Agency approach to the solution of support/operations problems. The DD/S recognizes this principle and is recruiting some key personnel from the Clandestine Services. Greater emphasis should be placed on the systematic rotation of working level personnel between the three Deputy areas.

E. The DD/S views his area primarily as a confederation of twelve offices and staffs grouped under him, but each retaining primary responsibility for developing and executing Agency policy. This concept is not producing the desired results when applied to components with complex Agency-wide problems. In such areas, the DD/S should assume greater command responsibility, establish policies, supervise execution, and, in general, fix standards of performance from the top downward. To achieve such command, and to improve coordination within the DD/S area as a whole, he should develop a small staff of competent generalists to replace present liaison-type assistants. The DD/S should also be freed from time consuming personal responsibilities for such things as the new building.

F. The position of SSA/IDS was established to fill the void left by the abolishment of the Administrative Staff, DD/P, and in recognition of the need for a bridge between the DD/S and the DD/P. Certain administrative authorities have been delegated to the SSA by the DD/P. These authorities place the SSA in the anomalous position of exercising DD/P command authority over matters for which he has staff responsibility to the DD/S. These delegated functions should be returned to the DD/P where they should be performed by an Administrative Officer attached to the staff of the DD/P.

25X1

G. [redacted] were attached to the SSA/IDS as a matter of convenience, but this placement is inappropriate to his position. These units and their personnel should be returned to the DD/P where they could be administered by the present Executive Officer, DD/P.

H. The SSA representatives of the Office of Personnel, Logistics, and the Comptroller devote much of their time to the handling of routine matters which could be done as well by appropriate units of their parent organizations. These activities should be discontinued so that the SSA group can concentrate on the major problems of support to operations.

I. With the continuing improvement of operational/support working relations, the need for a bridge between the DD/S and the DD/P is diminishing. A reoriented and strengthened DD/S staff should provide the needed coordination of support planning and policy guidance which ultimately will result in the concerted action required for the successful operation of the Agency. The major problem area remaining is the administrative burden on Operating Officials and the SSA/IDS should direct his efforts to its solution.

J. The Project Administrative Planning Staff is appended to the SSA/BDS organizationally but is treated separately because it presents a unique problem. The preparation of Administrative Plans has long been a major source of friction between the components of the DD/P and the DD/S. The responsibility for the development and preparation of the project outline is properly that of the operational units as is the determination of the need for an Administrative Plan to support the operation. The preparation of an Administrative Plan is within the competence of the chief administrative officers of the DD/P components and no useful purpose is served by continuing a separate PAP Staff in the DD/S to perform this function.

K. The Management Staff is primarily engaged in providing a consulting service which is ineffective in improving the Agency's organization, methods of operation, and management practices in general. Public Law 754 and Executive Order 10072 charge the DCI with responsibility for taking positive steps to improve management in the Agency through an active program of examination, constantly seeking ways to increase efficiency at reduced cost in money and manpower. No such program has been developed and the Director's responsibilities are not being fulfilled.

L. The Management Staff is inappropriately placed as an adjunct to the DD/S. Neither the Chief, Management Staff, nor the DD/S have been delegated the authority required to conduct an Agency-wide management improvement program. Such authority would require the mandate of the Director which would be undesirable in view of the relationship between the three Deputy Directors. The Management Staff can accomplish its mission only as an adjunct to the proposed Executive Director or to the Office of the DCI.

M. The Organization and Methods staff, now organized in three separate sections, should be consolidated into a single staff. The functions of this Staff are being performed only in part. The absence of an authoritative Agency management program has resulted in the adoption of a "consulting service" concept which has proved to be ineffectual. The Chief, Management Staff has relinquished initiative and leadership in the field of management improvement to unit chiefs who avail themselves of his services at their discretion. The "consulting service" concept should be abandoned in favor of management improvement by executive action.

N. Good records management is also required by statute. The Records Management Staff has developed a program which is making satisfactory progress in the DD/I and DD/S areas but little or none in the DD/P area. Supervisory responsibility for the Records Center and the Vital Materials Repository at [redacted] has been assigned inappropriately to the Office of Communications.

These units should be transferred to the Records Management Staff.

O. The Regulations Control Staff is no more than a central processing unit for regulatory issuances proposed by various Agency components. Agency regulations are too numerous and too long, assignments of responsibilities are not clear, coordination is ineffective, and, in general, the regulations fail to state policy and provide guidance in an effective manner. The Staff should be moved to the Office of the DD/S and the DD/S should insure that principal supervisors inject sound judgment and policy in the development and coordination of Agency regulatory issuances.

P. The Business Machines Services Staff maintains active contact with developments in industry and is aware of business machines and related equipment of potential value to the Agency. The Business Machines Services Staff

is not bringing this knowledge effectively to bear on Agency problems. Increased use of the facilities of the Office of Training and greater circulation of information about business machines is necessary to overcome the present deficiency.

4. The Agency Incentive Awards Program is inadequate. Employee participation is running less than one-half the Government average, and the per cent of suggestions adopted by the Agency is less than one-third the Government average. The poor record is due to the Program's reputation for delay, to insufficient consideration of suggestions, to confusing regulatory issuances, to biased evaluations, to poor public relations, to omission of the Field from the Program, and to penny pinching in awards for intangible benefits. The Director is under an obligation to support this Government-wide Program initiated by the Congress and strongly endorsed by the President. A revitalized Program will prove of great value to the Agency both in improving employee morale and in stimulating valuable suggestions. Recommendations to correct deficiencies in the Program are included in the report.

5. The General Counsel and his principal assistants are capable, qualified attorneys who provide informal advice and guidance to Agency components on a wide variety of specific legal questions. In some fields, notably taxation and liaison with private attorneys, the General Counsel renders particularly effective service. However, the General Counsel is not attached to the Office of the Director, does not attend his staff meetings, and is thus unable to provide broad and effective advice to the Director, especially on significant policy interpretation of the two basic CIA statutes and the related directives. The General Counsel is no longer responsible for legislative liaison. Although no practical obstacle to the present arrangement exists, the legislative liaison responsibility is inherent to the Office of the General Counsel and

should be returned to him.

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

B. The functions assigned to the General Counsel are not clear and cause confusion as to the force and weight to be given to General Counsel opinions and rulings. The responsibilities and specific functions assigned to the General Counsel should be clarified. The Office of the General Counsel is developing a reputation for posing obstacles in the way of actions proposed by other Agency components. The General Counsel should recognize and define limitations and pitfalls, but should take more positive steps to advise and recommend ways of dealing with such obstacles in furtherance of the Agency's assigned tasks. The General Counsel has been reluctant to make specific recommendations to the DCI and the DCI pointing out areas where improvements can be made in Agency procedures having major legal implications.

II. RECOMMENDATIONS

A. With respect to the DD/S, his immediate Office and Staff, and the SCA/DDI, it is recommended that:

1. The DCI establish an Executive Director, or Chief of Staff, responsible for supervising and coordinating activities transcending the responsibilities of more than one Deputy. (Page 26)
2. The DCI clarify the responsibilities and authority assigned to the DD/S. (Page 26)
3. The DCI relieve the DD/S of personal responsibility for special assignments, such as the new building, and permit the DD/S to devote maximum time to the direction of the twelve offices and staffs reporting to him. (Page 26)
4. The DD/S develop and state clearly for the guidance of all the concept of the proper role of support as discussed in this report. (Page 26)

5. The DD/S take greater personal responsibility for establishing, coordinating, and supervising the execution of policies designed to improve the caliber of support being rendered to other components of the Agency, especially in the fields of personnel and logistics. (Page 26)

6. The DD/S confer with the DS/P and develop policies to insure a greater rotation of personnel between the two areas, especially from DS/P into DD/S. (Page 26)

7. The DD/S confer with the DD/I, establish a program for the rotation of administrative career personnel between the two areas, and develop other broad policies designed to incorporate DD/I more fully into Agency support planning activities. (Page 26)

8. The DD/S discontinue liaison-type Special Assistants, and instead develop a small personal staff of carefully selected generalists qualified to assist him in developing and coordinating policies of overall DD/S application. (Page 27)

9. a. The SCA representatives of Logistics, Personnel and Comptroller be instructed to refrain from engaging in support activities for which adequate provisions have been made in their parent organizations.

b. The functions and personnel of the [] be transferred to the DD/P. (110-10-1)

25X1

c. There be established on the staff of the DD/P, a position of Administrative Officer of senior grade. (Page 20-3)

d. The administrative functions and authorities delegated by the DD/P to the SCA/IDS together with the budget estimate and allotment control functions now performed by the SCA (Comptroller) be transferred to the Administrative Officer, DD/P, recommended in c., above. (110-10-31)

e. The SSA/DDS take the initiative in the development and conduct of a program designed to reduce the administrative burden of Cleanteam Service Operating Officials by providing maximum support with a minimum of administrative controls. (Page 33)

14. The PAP Staff as an entity be abolished and its function of the preparation of Administrative Plans be assigned to appropriate D/P components. (Page 36)

15. Technical guidance to D/P components in the preparation of Administrative Plans be provided by the Office of the Comptroller. (Page 37)

[Redacted]

25X1A

b. The proposed regulations provide for the Comptroller to furnish technical guidance in the preparation of Administrative Plans. (Page 37)

[Redacted]

25X1

25X1A

B. With respect to the Management Staff, it is recommended that:

1. The mission and functions of the Management Staff contained in Agency Regulation [Redacted] be revised to reflect the requirements of Executive Order 11072. (Page 40)

2. The Management Staff be transferred to the Office of the Director and that it come under the immediate supervision of the DCI or of an Executive Director if such a position be established. (Page 42)

25X1A

3. a. The three separate O&M sections be consolidated into a single staff under the supervision of a Chief, O&M, reporting to the Chief, Management Staff.
b. Staff meetings of all O&M officers be held regularly for the purpose of full discussion of Agency management problems. (Page 46)
4. The O&M Staff training program be accelerated to provide for the assignment of a minimum of two O&M officers annually to external advanced management training courses beginning with FY 1957. (Page 47)
5. The Chief, Management Staff confer with the Director of Training and agree on a program of more active O&M Staff participation in Agency management training courses. (Page 50)
6. The functions of the O&M Staff be revised to reflect more accurately the proper mission of the Management Staff as directed by Executive Order 10072. (Page 51)
7. Responsibility for and administrative control over the Records Center [redacted] be transferred from the Office of Communications to the Management Staff together with present T/C positions and personnel. (Page 55)
8. a. Complete responsibility and supervisory control of the Vital Materials Repository be transferred from the Office of Communications to the Management Staff.
b. Vital Materials Repository become a branch or section of Records Center and administered by the Chief, Records Center as the senior RM Staff Officer at the site. (Page 56)
9. Agency Regulation [redacted] be revised to clarify the responsibility for properly indexing vital materials held in the Repository. (Page 58)

25X1A

10. a. The designation and appointment of Area Records Officers be discontinued.

b. Operating Officials be informed of their specific responsibilities for records management and be directed to avail themselves of the services of the RM Staff. (Page 59)

11. a. The AD/S assume personal responsibility for the Agency regulatory system and ensure that principal supervisors inject adequate sound judgment and policy into the system, both in the approval in principle of proposed regulations and in the resolution of inter-Agency disagreements.

b. The Regulations Control Staff be removed from the Management Staff and attached directly to the Office of the AD/S under the direction of a competent senior Special Assistant for Regulatory Issuances. (Page 62)

12. a. The [redacted] SSA/DDS, and the four Regulations Control Staff personnel presently detailed in the AD/P area, be joined into one Publications Unit and assigned permanently to the AD/P.

b. The Chief of the [redacted] SSA/DDS, be 25X1 commended by the SSA/DDS for his diligence and devotion to duty in continuing his unremitting efforts to discharge his publications responsibilities in the face of unusually difficult and trying conditions. (Page 65)

13. The Chief, Management Staff, confer with the AD/CR and agree upon an aggressive program utilizing the joint resources of the Business Machines Services Staff, Management Staff, and the Machine Division, OCR, to search for and identify areas throughout the Agency, especially at the office and divisional level, wherein machine techniques can contribute effectively to the solution of long-range Agency information handling problems and jointly recommend specific solutions as appropriate. (Page 68)

14. a. The Chief, Management Staff, prepare and circulate throughout the Agency informal brochures explaining in simple terms recent advances in and possible applications of newly developed office business machines and related equipment.

b. The Chief, Management Staff, confer with the Director of Training and agree upon a procedure for utilizing the facilities of the Office of Training for educating and indoctrinating appropriate Agency personnel on the activities, responsibilities and potential value of the Business Machines Services Staff. (Page 69)

25X1A

15. a. Appropriate Agency regulations [redacted] reflecting the provisions of the Incentive Awards Act of 1954, the Civil Service Commission regulations of 9 November, the staff study on awards approved by the DDCI on 1 March 1956, and other pertinent Agency policies be published as a matter of priority.

b. The membership of the Incentive Awards Board be realigned to provide broader operational and substantive membership and that the Chairman of the Board convene meetings as frequently as necessary to eliminate the Agency backlog by 31 December 1956.

c. Upon publication of the basic regulation establishing the Program, an immediate and well conceived program publicizing the Incentive Awards Program be initiated by the Staff under the guidance of the Incentive Awards Board. In the event disagreement over the scope of the campaign develops within DO/P, the matter should be referred to the DCI for decision.

d. The Chief of the Management Staff take immediate action to upgrade the professional positions on the Incentive Awards Staff and insure that the positions are filled by the most highly qualified and experienced personnel available.

e. The Chief of the Incentive Awards Staff and the Chairman of the Incentive Awards Board make greater use of independent organization and management studies on the value of suggestions which relate to the basic functions of an appraising office.

f. The Incentive Awards Board establish and adhere to more liberal policies and award scales applicable to intangible benefits in order to stimulate greater employee participation in this important aspect of the program. (Page 76)

C. With respect to the General Counsel, it is recommended that:

1. The General Counsel discontinue non-legal activities, such as rewriting regulations for the DD/S, and concentrate maximum effort on the development of a well organized volume of precedents and interpretations setting forth in an orderly and detailed manner the meaning and significance of the various statutes and directives applicable both to the Agency and to the intelligence community as a whole. (Page 82)

25X1A

b. The General Counsel confer with the Director of Training and agree upon procedures for using the resources of the Office of Training to educate personnel

25X1

(Page 84)

3. The DD/S and the General Counsel explore all alternatives and arrive at a solution which will permit the retention of the present legal service within the DD/P area. (Page 85)

4. a. The General Counsel develop an affirmative attitude towards requests for legal advice and seek to support to the maximum the goals and objectives of operating components.

b. The General Counsel adopt a positive program of making written recommendations to the DD/S and DCI on areas within the Agency wherein procedures and operations having major legal implications may be streamlined and improved. (Page 89)

5. a. The DD/S review and establish in conclusive terms the specific functions which he desires the General Counsel to exercise.

b. The General Counsel conduct a consumer survey of the value of the General Counsel opinions, and based thereon, re-issue such opinions in a format which clearly expresses their purpose, status and use.

c. The General Counsel develop and maintain up to date studies and briefs on all laws and court decisions bearing upon the interpretation of Executive privileges as related to the specific functions and problems of this Agency. (Page 92)

6. In any over-all review of top echelon assignments of responsibility within the Agency, consideration be given to returning the legislative liaison function to the General Counsel. (Page 94)

III. DISCUSSION

A. The Deputy Director (Support)

1. History

The Deputy Director for Support is a relatively new position within the Central Intelligence Agency. In 1950, the then Director (General Walter Bedell Smith) created the position of Deputy Director for Administration, (DD/A). This official was supposed to keep the

Director advised on such administrative or housekeeping matters as budget and finance, personnel, security and logistics. Training and communications, two functions normally associated with administration, were not initially subordinated to the DD/A. Both the training and the communications functions had been developed by the Office of Special Operations, latterly assisted to a certain extent by the Office of Policy Coordination. Neither of those offices had much sympathy with or confidence in the administrative components of the Agency as they were then directed, and consequently opposed yielding these functions to a central authority. As a result, Training and Communications were created as separate offices. In 1954, when a change was made in the Assistant Director for Personnel, that Office also was given independent status and, like Training and Communications, technically reported to the DCI directly. In 1955, a proposal to create a fourth Deputy Director to supervise and direct the Personnel, Medical, Security, and Training Offices resulted in a decision by the Director to subordinate the three nominally "independent" offices (Training, Communications, and Personnel) to the Deputy Director for Administration. At the same time it was decided to change that title to Deputy Director for Support (DD/S), the change being made in an effort to reflect more accurately the proper function of these components and to lessen friction with the DD/P organization. Thus, it is only since February 1955 that a DD/S in the present sense has existed.

2. The Office of the DD/S

The immediate Office of the DD/S consists of the Deputy Director, the Assistant Deputy Director, eight special Assistants, one Administrative

Assistant and eight stenographic and clerical personnel. Only one of the Special Assistants is concerned with the general operations of the Office of the DD/S. The remaining seven are each responsible for one of the following: supervision of the Project Administrative Planning Staff, support to the Classified Services Planning Board, coordination of DD/S requirements for the new building, emergency planning and physical security, fiscal and budgetary liaison, DD/S training policy, and support to the Administrative Career Service Board. From an administrative point of view the Office of the DD/S is a model of efficiency. Files are complete and orderly and are centrally located in four safes maintained by a small Executive Registry. Office personnel are kept informed of current developments through the circulation of a daily reading file. Administrative detail is held to a minimum and there is a general sense of order and control which reflect favorably upon the interest of the DD/S and the competence of his Administrative Assistant.

3. The Command position of the DD/S

a. Two regulations bear directly on the position of the DD/S in the command structure of the Agency.

(1) Regulation [] the basic regulation establishing the organization and functions of the Agency, delegates to each Deputy responsibility for and authority to carry out the functions assigned to him. The regulation further delegates to the DD/S the exercise of those Agency powers specifically assigned by law to the Agency's Executive.

25X1A

25X1A

(2) Regulation relates specifically to the DD/S and charges him with "responsibility for over-all support of all intelligence, operational, and related activities," and with "directing and coordinating the activities of twelve separate offices and staffs."

b. These regulations appear to assign the DD/S a ~~command~~ position to execute the responsibilities placed on him. With respect to the internal management of his area, his command position is clear. However, with respect to the agency-wide scope of many support activities his position is not clear. ~~Command~~ implies total responsibility not only for internal management, but also for the establishment and enforcement of policies and programs. The DD/S is responsible for the activities of such offices as Training, Logistics and Personnel. Policies established in each of these areas must by their very nature apply to the entire Agency. Does the DD/S have a true ~~command~~ position in establishing such policies or is he limited to a staff role? If the DD/S is to effectively discharge such assigned responsibilities he must exercise certain aspects of ~~command~~ on an Agency-wide basis. If he does exercise such Agency-wide ~~command~~, he will come into conflict with and invade what the other two Deputies properly consider to be their assigned areas of responsibility. Stated briefly the foregoing is the essence of the principal problem faced by the DD/S.

c. An analysis of this problem makes clear the incongruity of the position of the DD/S. He cannot exercise ~~command~~ functions with major impact on the other two Deputies without creating conflicts beyond his power to resolve. Yet, if he limits himself to essentially a staff

position many of the most important responsibilities assigned to him will not be effectively discharged. Faced with such a situation, and recognizing that no good will come from perpetuating historical antagonisms, the DD/S has moved with care and deliberation to seek essentially pragmatic solutions to current problems. In so doing, he has assumed a position of an equal with the other two Deputies, relying upon persuasion rather than upon his poorly defined or implied command authorities in areas assigned to the other Deputies. In pursuing this course, the DD/S has shown both wisdom and patience. He should not be criticized for his reluctance to utilize command authorities for which he is inappropriately placed and which in themselves are ambiguous and in conflict with authorities assigned to the other Deputies. These command assignments should be clarified by the Director.

d. Until such time as these command lines are clarified, several important responsibilities normally assigned to the DD/S will continue to be ineffectively performed with serious consequences to the Agency. The futile efforts of the Management Staff to operate effectively in a staff capacity are discussed later in this report. Much more serious, however, is the situation with respect to personnel. The volume and character of complaints directed at the Office of Personnel are impressive. Key DD/P officials have implied clearly that the Office of Personnel is neither equipped nor qualified to be the personnel office for the Clandestine Services. Repeated complaints are voiced within DD/S about the difficulty of rotating personnel even for training purposes. The 25 April 1956 Inspector General Survey of OCS pointed out the inequities and shortsightedness of recruiting practices in the DD/I.

e. Under present command arrangements, it is impossible to see how the personnel situation can be materially improved. The Office of Personnel must have authority to stop recruiting in competition with the career concept; it must be able to direct the rotation of personnel throughout the Agency; and it must be able to coordinate all activities concerned with personnel into one cohesive program expressing the Agency's total concern and interest in its people. There has been no clear delegation of such authority to the DD/S nor to anyone else in the Agency. The establishment of a fourth Deputy for Personnel (to include the present Office of Personnel, Training and Security, and the Medical Staff) would solve the problem only if the assignment of responsibility were accompanied by concomitant Agency-wide authority. Unless an unusually capable individual can be found to head such a Deputyship, the necessary authority to solve the personnel problem should be assigned to the DD/S under the present organization.

f. The three (or four) Deputy organizational concept appears basically workable provided the respective assignments of responsibility and authority, especially as related to the DD/S, are clarified. This does not mean that completely orthodox concepts of command and staff must be enforced. Large organizations require adjustments and compromises to handle special problems. Experience and training can develop certain working concepts that successfully bridge the gap between practice and theory. However, there are certain principles of organization and management which cannot be contravened without confusion resulting. Efforts to make the DD/S responsible for developing and executing

policies applicable to the other Deputy areas fall in this category. The Agency needs an Executive Director, or "Chief of Staff" to coordinate and direct activities transcending more than one Deputy area. Agency planning, personnel, and management activities would fall within the province of such an Executive. He would have the authority and organizational position to insure that problems of Agency-wide scope were dealt with decisively rather than passed from Deputy to Deputy as is now often the case. He would insure that problems are thought through and completely staffed prior to referral to the Director for decision. Such procedures would free the Director from management activities to concentrate on the major policy and substantive problems of intelligence and operations. In addition, such an organizational move would free the DD/s from his present anomalous command position and relieve him of responsibility for certain broad Agency problems which cannot be resolved at the Deputy level.

4. The support Role of the DD/s

a. When DD/P Administration was abolished in February 1955, the Director decided conclusively that there should be but one support system in the Agency and that that support system would be provided by the DD/S. Irrespective of his command position, the DD/S is responsible for and is expected to provide "for over-all support of all intelligence, operational and related activities." The decision means that DD/P will not create his own support staff and that conversely DD/S must provide effective support for DD/P. The concept is sound; the execution leaves room for improvement. DD/S personnel, in developing support programs,

must think and act in terms of clandestine problems and operations, and must be so trained and oriented that they become in fact the organic support elements of the DD/P. Some DD/S components, notably Communications, have achieved this status and are so accepted by DD/P. Others such as Security, Training, and Medical, are making substantial progress. Still others such as Logistics and Personnel have much to accomplish.

25X1A

b. Notice [redacted] 31 January 1956, "Organization and Direction of CIA Clandestine Services," further clarified the support role of the DD/S by making it clear that in overseas areas the DD/P and his delegates have full and complete command authority and responsibility. In a sense this is comparable to the autonomous command position occupied by commanders of overseas military theaters. This means that Base and Station Chiefs are fully and completely responsible for all operations and decisions made in their area. They can be guided by the technical advice of support personnel assigned to their area, but the responsibility for decisions is to be unequivocally theirs. It moves away from the past situation, where responsible Operating Officials avoided administrative decisions and passed such matters off on support personnel who in their turn adopted a command-like attitude towards matters which in the final analysis can only be properly decided by unit chiefs. If this same concept can be spread through Headquarters echelons, much further progress will be made in clearing the air between the DD/S and DD/P working levels. There is still a tendency on the part of operating personnel to avoid inherent command responsibilities for support matters and then to blame support elements for failures in areas for which

operations must take responsibility. Conversely, support personnel are apt to misconstrue their role and consider that they have some area of command responsibility, or at least veto power over operations. Support personnel are to advise and guide operating chiefs on approved Agency support policies, and operating chiefs, though relying on such guidance, must accept the full responsibilities of decision and command.

c. Clarification of the proper support/operations role has been retarded by certain historical developments within the Agency. There is a feeling within DD/P that the numerous and burdensome administrative checks placed upon operations by support elements date back to the profligate days of OPC and the Korean emergency and are not justified now that DD/P has matured and established its own checks and balances. On the other hand, there is a feeling within DD/S that unless specific checks and balances are maintained upon DD/P, the unique nature of clandestine personnel and operations will soon result in abuses of the Director's special authorities. The answer to the problem lies somewhere between these opposing points of view. The senior echelons in both DD/P and DD/S recognize this fact well; however, at the working level ancient loyalties are still precluding a full unity of purpose between support and operational personnel.

d. In the final analysis, it is the rotation and interchange of personnel which will resolve the difficulties between support and operational components. DD/P personnel, insofar as security permits, must be interchanged in a continuing and orderly manner with support personnel until the two areas come to think alike in terms of unified

Agency goals and problems. The DD/S has given full recognition to this need within his immediate office by recruiting both his Deputy and his senior executive assistant from the Clandestine Services. The Administrative Career Service Board under the jurisdiction of the DD/S works diligently to place the best qualified personnel available into the support positions of the DD/P. The entire concept of the Special Support Assistant/DDS is directed at improving support to the DD/P. The DD/S has spared no effort from his point of view in making the concept of a single support element work. However, a more systematic rotation of personnel, especially from the DD/P into the DD/S is required if unity of purpose between the two areas is to be achieved.

c. In the major effort to support DD/P, progress in the DD/I area has been virtually ignored. The present system of rotating administrative career personnel is limited to the DD/P area and does not extend to the offices of the DD/I area nor even to the immediate Office of the DD/I. The Special Planning Assistant/DDS, though considered responsible for Agency-wide support planning, has included the DD/I in his planning activities only to a limited degree. This exclusion of the DD/I from consideration in comprehensive Agency-wide support planning is undesirable. Every effort should be made to include the DD/I area in all Agency support planning, especially in the development of training and rotation programs designed to forge the entire Agency into one unified and cohesive organization.

5. Functioning of the DD/S Area

a. The DD/S has six major offices and six separate staffs reporting directly to him. He views these twelve units primarily as a confederation organizationally grouped under him, but with each unit

chief retaining primary Agency responsibility in his respective field. Top level Agency policies and decisions are passed by the DD/S from the Director's Staff Meetings to the various unit chiefs grouped under him through bi-weekly staff meetings and direct conferences. Each office or staff chief is then, to a large extent, expected to develop and implement Agency policy in his assigned area of responsibility. As a consequence, the DD/S has initiated and formalized only a limited amount of policy at his level, though retaining a review function over the policies initiated by his subordinates. The performance of the various offices and staffs under the DD/S have varied widely, partly because of the relative impact of command problems already discussed, and partly because of the basic competence and experience of the personnel involved.

b. Subject to the limitations on his own authority, the DD/S is responsible for the over-all performance of the units under him. Given this responsibility, it appears that in several areas the DD/S has permitted too much autonomy to the less efficient units in his area. In those areas where the support being provided to the Agency is inadequate, the DD/S should personally intervene and take action to correct the deficiencies. He should establish policies and goals where necessary and insist that his senior subordinate officials adhere thereto. He should endeavor to deal with unit chiefs in a more direct manner, and not permit unnecessary conferences and incomplete staff work to impose unduly on his time and patience. [In short, it is felt that the "confederation" concept should only extend to those DD/S units which

demonstrate consistently superior accomplishment. With respect to less efficient areas, notably Personnel and Logistics, the DD/S should exercise stronger command and fix standards of performance from the top down.

c. Under the confederation theory of management, the DD/S initially staffed his immediate office with specialists from each major subordinate component. These specialists were to perform a liaison function, keeping the DD/S informed of developments in the respective components, but they were not to come between the DD/S and his component chiefs even in a staff sense. This arrangement proved relatively unsatisfactory, in that the liaison specialists tended to lose contact with home base rather quickly and yet could not fill in effectively as over-all generalists. The DD/S now appears to be moving towards a small staff composed primarily of senior generalists.

d. The trend towards staff assistants of the generalist type is strongly endorsed. Staff assistants of this type should assume the major part of the burden of developing policy and improving coordination at the DD/S level. Problems requiring such coordinated action at the DD/S level include the development of a sound regulatory system and the development of a coordinated staffing pattern for DD/S personnel overseas. The Special Planning Assistant is now performing functions of the type envisioned for a small staff of senior generalists. The Special Support Assistant is performing a related, though separate and more specialized role. Staff assistants of this caliber are required to assist in ensuring unified and concerted DD/S action in those areas where the confederation concept is proving ineffective. They should

not impinge on the responsibilities and prerogatives of DD/S unit chiefs provided they are carefully selected and the concept of their responsibilities is made clear.

e. Planning for the new building is, perhaps unavoidably, interfering with the proper functioning of the DD/S. Most of the problems concerning the new building should be handled by the Chief of Logistics and other senior support personnel rather than by the DD/S personally. Special assignments of this nature consume much time and distract the DD/S from his primary task of directing twelve separate offices and staffs.

It is recommended that:

1. The DCI establish an Executive Director, or Chief of Staff, responsible for supervising and coordinating activities transcending the responsibilities of more than one Deputy.

2. The DCI clarify the responsibilities and authority assigned to the DD/S.

3. The DCI relieve the DD/S of personal responsibility for special assignments, such as the new building, and permit the DD/S to devote maximum time to the direction of the twelve offices and staffs reporting to him.

4. The DD/S develop and state clearly for the guidance of all the concept of the proper role of support as discussed in this report.

5. The DD/S take greater personal responsibility for establishing, coordinating, and supervising the execution of policies designed to improve the caliber of support being rendered to other components of the Agency, especially in the fields of personnel and logistics.

6. The DD/S confer with the DD/P and develop policies to insure a greater rotation of personnel between the two areas, especially from DD/P into DD/S.

7. The DD/S confer with the DD/I, establish a program for the rotation of administrative career personnel between the two

areas, and develop other broad policies designed to incorporate DD/I more fully into Agency support planning activities.

C. The DD/S discontinues liaison-type Special Assistants, and instead develop a small personal staff of carefully selected generalists qualified to assist him in developing and coordinating policies of over-all DD/S application.

D. Special Support Assistant, DD/S

1. The position of Special Support Assistant, DD/S (SSA/DDS) was established in February 1955 by order of the DCI. At the same time the position of the Chief of Administration, DD/P, was abolished and the functions of that office were reassigned in part to the Office of the DD/S and the balance to specific support components. (This action was taken concurrently with the merger of the DD/A and the Office of Communications, Personnel, and Training into a centralized support element designated as DD/S.) The SSA/DDS was charged with "special responsibilities for ensuring that the Clandestine Services receive adequate, proper and timely support." The order also stipulated that the individual appointed to the position would function in a staff capacity and would not assume any DD/P command authority. Certain specific responsibilities were assigned, chief among them being the coordination of administrative support planning for the Clandestine Services.

2. The SSA/DDS is provided with a staff consisting of an Assistant and [redacted] He also has supervisory responsibility for the [redacted] and the Project Administrative Planning Staff. These units are treated separately in subsequent sections of this report.

25X1
25X1

3. The Offices of Personnel, Logistics and the Comptroller assign senior officers to the SCA as their representatives to monitor and coordinate the support responsibilities of their offices to the Clandestine Services. The total number of these representatives may vary but at the time of this survey there were eight, with secretarial and clerical personnel added. The total number of personnel of all categories under the supervision or control of the SCA/IDS is approximately

25X9

4. With the centralization of support activities in the DD/S and the elimination of the Office of the Chief of Administration, DD/P, it was believed to be necessary to provide a "bridge" between DD/S and DD/P. There was a great need at that time to develop a better understanding of mutual problems and to provide closer coordination between operational and support elements. It was in recognition of this need that the position of SCA/IDS was established. During the past 16 months the SCA and his associates have made a fine contribution to the development of harmonious relations between these major areas of the Agency. The initial stages of transition were difficult and required the patient application of tact, diplomacy and good will on both sides to the solution of many knotty problems. A measure of success has been achieved which is apparent in the lessening of ill feelings and friction which formerly hampered operational activities. The program should now be re-evaluated in the light of past accomplishments, the remaining major problem areas, and the future need for high-level DD/S staff support to the DD/P.

5. A review of the accomplishments reported by the members of the group indicates that progress has been made toward the primary objective--that of expediting the support of the Clandestine Services. Major improvements have been made in the area of budget and fiscal matters which previously have been the subject of much complaint. There is a gradual closing-in on personnel problems, but little progress has been made in expediting logistical support of operations. The fact that the Offices of Communications, Security, and Training, and the Medical Staff are not represented in the group is indicative of the lack of any need for high-level "expediting" in their behalf. These units have long enjoyed close relations with the operating elements and are benefiting from the generally improved climate resulting from the efforts of the SCA group.

6. The SCA representatives of Logistics, Personnel and the Comptroller perform a wide variety of routine functions which tends to impede their progress toward the primary objective. These include the extensive monitoring and review of projects and programs, consideration of proposed regulations, and advice and guidance on matters of daily activities. Most of these are functions which normally would be performed by appropriate units of their "home" offices. However, the location of the SCA group in buildings occupied by DD/P components affords the convenience of physical proximity and matters are brought to them for consideration because it is the easiest and quickest way to get action. In continuing to perform these relatively routine tasks the representatives dissipate their talents by acting in the

capacity of liaison officers rather than senior staff officers. To encourage the further development of direct dealings between operating and support units, the SCA representatives should refrain from engaging in such routine matters and transfer continuing functions to appropriate elements of their parent organizations.

7. The SCA/DDS and his Assistant also perform other functions which distract from full accomplishment of the major mission. The Assistant SCA has been assigned responsibility for supervision of the

25X1

[redacted] the former is discussed in the section of this report captioned "Regulations Control Staff," page 59. [redacted] is a small section composed of [redacted] illustrators who devote their efforts to preparing maps, charts, and other graphic material for the DD/P. It was formerly a component of the Administrative Staff, DD/P, and was appended to the SCA as a matter of expedience when that staff was abolished. Although its functions are in the nature of support, it is a specialized activity which would be more logically conducted under the supervision of the DD/P. The [redacted] should be returned to the DD/P and it is suggested that the most appropriate place for it is the Office of the Executive Officer, DD/P.

25X1

25X9

25X1

8. The SCA/DDS has been delegated certain authority by the DD/P to act for him in specific administrative matters. It was stipulated in the original order of 3 February 1955 that the SCA would not assume any DD/P command authority. However, the elimination of the Administrative Staff left the DD/P without an administrative officer in his own office and it became necessary for him to assign certain responsibilities and authorities to the SCA. This has created an undesirable situation in

which the SGA is not only "serving two masters" but exercising command authority for the DD/P over actions for which he has staff responsibility for the DD/S. This situation can be corrected readily by the establishment of a position on the DD/P's Staff for an Administrative Officer. It should be stressed that this is not a suggestion for the reconstitution of an Administrative Staff. The Administrative Officer should be a competent officer of senior grade provided by the DD/S and, of course, acceptable to the DD/P. He should be capable of performing the functions now assigned by the DD/P to the SGA and also the budget estimates and allotment control records for the immediate Office of the DD/P, now being handled by the SGA/Comptroller. He should be capable of advising the DD/P on support matters generally but should not undertake to perform support functions which are now the responsibility of the DD/S components.

9. The reassignment and revision of some of the functions of the SGA group recommended in this report will permit it to focus its attention more sharply on the principal support problem, the reduction of the administrative burden on Operating Officials. Present administrative practices, processes and procedures are so complex and cumbersome that much operational manpower is lost merely in complying with administrative requirements. The good reputation of this Agency is based largely on its ability to get things done quickly and with a minimum of "red tape." There is a danger now in the trend toward more regulations, more controls and more restrictions that the Agency will become as bureaucratic as the old, well-entrenched Government agencies. If this trend is permitted to continue it will be tantamount to

committing operational suicide. Democracy in this Agency must be fought at every opportunity and the SCA could serve no better purpose than to conduct immediately a program designed to eliminate all non-essential administrative processes and procedures and reduce to an absolute minimum the administrative burden on Clandestine Service operating personnel. As the unit in the DD/S most knowledgeable of operational requirements, the SCA group should take the initiative in analyzing the Director's statutory authorities and responsibilities and determining the requirements of sound administration. Specific recommendations for the elimination of all non-essential administrative requirements and controls should be presented to the DD/S and DD/P for appropriate action.

10. The continuing improvement of close relations between operating and support elements will eventually eliminate the need for a high-level "bridge" between the DD/P and DD/S. The need for the constant checking, monitoring, and reviewing of support activities by the SCA group is rapidly diminishing. The chief administrative officers of the DD/P components are now capable of attending to most of the support requirements of their units. Usually they need only the guidance of the support offices and occasional assistance when major problems arise. Their continuing development together with the strengthening and re-orientation of the DD/S staff recommended in the preceding section of this report appear to dictate the ultimate disposition of the SCA group. A transition period of approximately 12 to 18 months will be required.

for the phasing out of the SSA group and it should begin with the immediate revision of its organization and activities as discussed above.

It is recommended that:

1. The SSA representatives of Logistics, Personnel, and Comptroller be instructed to refrain from engaging in support activities for which adequate provisions have been made in their parent organizations.
2. The functions and personnel of the [redacted] be transferred to the DD/P.
3. There be established on the Staff of the DD/P a position of Administrative Officer of senior grade.
4. The administrative functions and authorities delegated by the DD/P to the SSA/DS, together with the budget estimate and allotment control functions now performed by the SSA/Comptroller, be transferred to the Administrative Officer, DD/P, recommended in paragraph 3 above.
5. The SSA/DS take the initiative in the development and conduct of a program designed to reduce the administrative burden of Classified Service Operating Officials by providing maximum support with a minimum of administrative controls.

C. Project Administrative Planning Staff (PAP Staff)

1. The principal function of the PAP Staff is the preparation of Administrative Plans for operational projects

25X1

25X1

25X1

25X1

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

25X1

[redacted] the need for a Plan to

guide the conduct of unusual or 'special' projects is unquestionable, but the present method of operation is criticized widely.

6. The principal problem in dealing with ID/P officers is their reluctance to reveal operational information to members of the PAF staff. This is particularly true of the FI Staff which frequently refuses to permit examination of the project outline without which it is practically impossible to prepare a meaningful Administrative Plan. On the other hand, PAF Staff is unwilling to accept oral statements of the operating personnel in lieu of documented operational data. ID/P officers also object to the inclusion of operational information in the Administrative Plan which PAF Staff believes to be essential. Furthermore, there is a very strong belief that Administrative Plans are unnecessarily restrictive and that they tend to control operations.

rather than to support them. There is an element of truth in all of these factors, and there is no question but that the Administrative Plan is a major source of friction between the components of the ID/P and the ID/S.

7. Fundamentally, the location of the PAP Staff on the Staff of the IDA/IDS is inappropriate. The responsibility for the development and preparation of the project outline is properly that of the operational units as is the determination of the need for an Administrative Plan to make the project feasible. The Plan becomes an integral part of the outline and its preparation should be within the competence of the Administrative Staffs of the ID/P components. There appears to be no useful purpose served in continuing the existence of a separate PAP Staff in the ID/S to perform a function which can and should be done within the appropriate elements of the ID/P. The PAP Staff should be phased out as soon as possible and the responsibility for the preparation of Administrative Plans transferred to the ID/P.

It is recommended that:

The PAP Staff, as an entity, be abolished and its function of the preparation of Administrative Plans be assigned to appropriate ID/P components.

8. Responsibility for all budgetary and financial operations of the Agency is assigned to the Comptroller. Since Administrative Plans are primarily concerned with providing adequate and appropriate authority and control over the expenditure of confidential funds, the Office of the Comptroller should give technical guidance to the ID/P components in the preparation of Plans.

It is recommended that:

Technical guidance to DD/P components in the preparation of Administrative Plans be provided by the Office of the Comptroller.

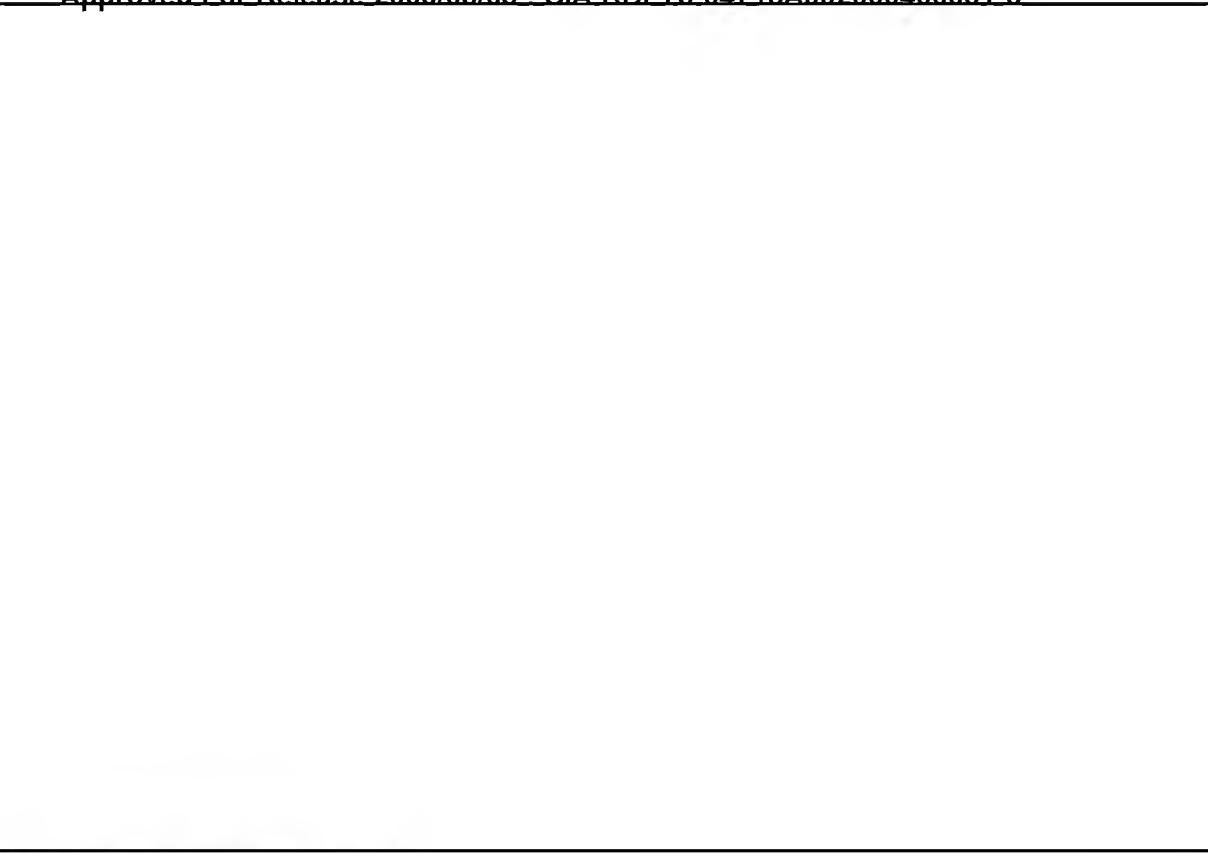
9. Proposed Regulation [redacted] when published, will rescind CFR 9.4 and will include in the Agency's regulatory system the policy governing the use of Administrative Plans and will assign responsibility for their preparation and implementation. It is a well-written document which covers the subject in clear, concise terms and includes the most precise definitions of categories of projects produced thus far. However, it serves to perpetuate the PAP Staff as the controlling factor in the preparation of Administrative Plans. As discussed in the preceding paragraphs it would be more desirable to have the responsibility for Plan preparation assigned to the DD/P operational components. The proposed regulation should be revised to reflect the transfer of responsibility and omit reference to the PAP Staff.

25X1A

It is recommended that:

25X1A

A large rectangular area of the document has been completely redacted with a solid black box, obscuring several paragraphs of text.



D. The Management Staff

1. General

a. For many years efforts have been made throughout the Government to develop management practices which will bring about improvement in the efficiency with which Federal agencies conduct their affairs. Statutes and regulatory issuances have been promulgated which assign specific responsibilities to the heads of agencies in the areas of management improvement, records management, and incentive measures to encourage employee participation in management improvement.

b. Executive Order 10972, dated 29 July 1969 (cited at 5 U.S.C. 1332), is concerned with the improvement of management of the Executive Branch of the Government. It directs each agency head to systematically

review the effectiveness of his agency's programs and the economy of its operations. The objectives of the systematic review are:

- (1) To determine program effectiveness.
- (2) To determine the efficiency and economy of operations, including an appraisal of organization, procedures, and staffing at each level.
- (3) To plan and take improvement action by:
 - (a) Identifying opportunities for improvement in programs and operations.
 - (b) Determining priority of improvement actions in terms of potential economies or better service to the public.
 - (c) Setting time schedules, and assigning responsibility and staff to take necessary action in areas selected for priority attention.
- (4) To encourage employee participation in management improvement by identifying, for purposes of recognition and awards, those employees or organizational units which have made outstanding contributions to efficiency and economy of operations.

c. Under this Executive Order the Director is accountable to the President and the Congress for appraising the effectiveness of programs and the efficiency and economy of operations in this Agency. More specifically, he is responsible for: (1) seeing that an over-all integrated review system geared to his own requirements as top executive, is developed in the Agency; (2) taking action to achieve potential improvements revealed by systematic review; and (3) seeing that subordinate

officials develop effective management practices consistent with the over-all system and that they take appropriate improvement action for activities under their jurisdiction.

d. The General Counsel has determined that Executive Order 10072 imposes on the DCI an affirmative responsibility to initiate management improvement action. In the statement of objectives it describes the kind of action to be taken and authorizes the establishment of a staff adequate to the purpose. Within the Agency, the Management Staff was established to provide the means for implementing the Executive Order. However, under its present charter, command position, and operating concept, the Staff is not discharging the Director's responsibilities.

25X1A

e. The mission of the Management Staff as prescribed by Agency Regulation [] is to administer the Agency's management program, develop and recommend plans, programs, policies, and procedures designed to improve management and efficiency throughout the Agency; and to render appropriate support and advice related thereto. The charter of the Management Staff does not reflect the principal requirement of the Executive Order "to systematically review the Agency's programs and the economy of its operations." This requirement is basic to the mission of the Management Staff and should be included in the appropriate Agency regulation.

It is recommended that:

25X1A

The mission and functions of the Management Staff contained in Agency Regulation [] be revised to reflect the requirements of Executive Order 10072.

f. The Management Staff, as an adjunct of the DD/S' Staff, is improperly placed in the organizational structure of the Agency. To enable it to accomplish the mission required by the Executive Order it must be in a position to provide direct support to the DCI. The improvement of management is a function of command which can only be performed by the Director. To assign this responsibility to the DD/S is inappropriate because it requires the exercise of authority over the components and the offices of the other Deputy Directors. At present, the Management Staff is providing advice and guidance at the level of Assistant Director and below. It should be advising the DCI and the DCDCI and recommending methods of improvement for their executive action.

g. The most desirable organizational position for the Management Staff would be as a part of the Office of an Executive Director or Chief of Staff who would be responsible for the efficient management of the Agency. Less desirable, but equally effective, would be the assignment of the Management Staff to the Office of the DCI where it could be placed under the supervision of the DCDCI. This would provide the necessary authority and direction and make it more responsive to the Director's needs. It is recognized that this is contrary to the wishes of the Director to reduce the number of Agency officers reporting directly to him but the overriding requirement for the effective performance of the terms of Executive Order 10072 compels consideration of this alternative.

h. The Management Staff could remain in the position it now occupies and could accomplish its purpose if the DCI directed the DD/S to implement the Executive Order on an Agency-wide basis and delegated

to him the required authority. This is the least desirable alternative. It would be unreasonable to assume that this could be done without seriously impairing the good relationship that exists today between the three Deputy Directors. It would disrupt jurisdictional lines and chains of command and probably create more managerial problems than could be solved. This course is not recommended.

4. Taking all factors into consideration and giving due weight to the Director's responsibilities in the field of management improvement,

It is recommended that:

The Management Staff be transferred to the Office of the Director and that it come under the immediate supervision of the DCI or of an Executive Director, if such a position be established.

5. The present concept of the Management Staff is that of providing a management counseling service to the Agency. In this respect, it not only fails to meet the requirements of Executive Order 10072 but also fails to accomplish its currently assigned mission and performs only part of its assigned functions. This subject is discussed in detail in the following sections of this report, but it is appropriate to state here that the concept of counseling service must be replaced by one of executive direction in order to carry out the Director's responsibilities for the improvement of management throughout the Agency.

6. As a consequence of adherence to the counseling concept, the Management Staff, has in the past, recruited most of its members from outside the Agency. This was based on the philosophy that sound management principles have application to any organization and that

Intimate knowledge of its activities is unnecessary. Unfortunately, it has not been demonstrated that effective management improvement can be accomplished in this Agency without a thorough knowledge of the requirements of good intelligence techniques, compartmentalization, need-to-know, cover, security, and the extraordinary demands of covert operations. The lack of understanding of these unusual requirements has severely handicapped the members of the Management Staff in their efforts to apply their competence to Agency management problems. The Chief, Management Staff has recognized this deficiency and is now endeavoring to recruit within the Agency. If the Management Staff is to be elevated to the position it should occupy in order to accomplish its proper mission, it must be staffed with capable personnel who can combine intelligence experience with management competence. Recruitment should be from the higher levels of the Agency so that the staff will be represented by persons of stature and recognized accomplishment. The Management Staff offers an excellent medium for career development and should be included in the career planning of senior officers.

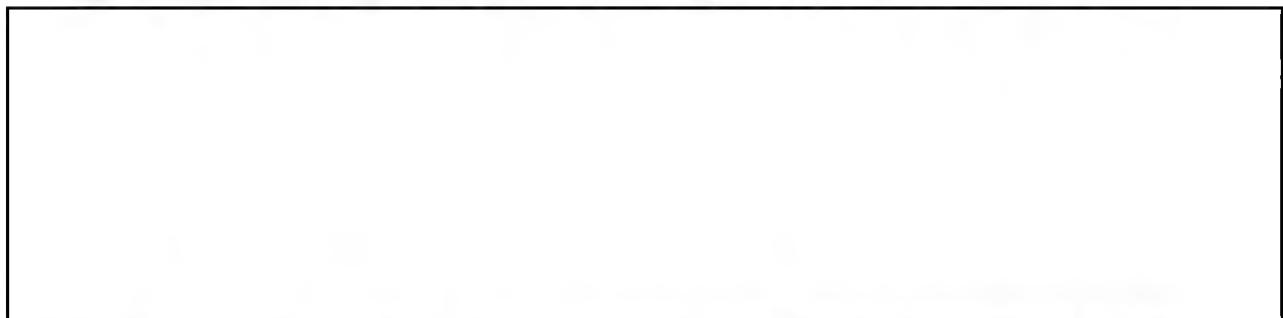
2. Organization and Methods Staff

a. The functions assigned to the Organization and Methods Staff (OMS) are:

(1) Develop and recommend plans, programs, policies, and procedures for, and exercise leadership and initiative in improving management throughout the Agency; continually review Agency progress in management improvement; and assist all elements of the Agency in planning, developing, and installing improved management practices.

- (2) Conduct studies of organization, functions, systems, and methods, and recommend improvements resulting therefrom.
- (3) Review and coordinate proposals for Tables of Organization and personnel ceiling changes; conduct work measurement, manpower distribution, and manpower utilization surveys; and develop recommendations as to numbers and types of positions and manpower required.
- (4) Conduct research on management techniques and develop and disseminate information throughout the Agency for the purpose of improving management practices and efficiency.
- (5) Provide management consulting service to all elements of CIA and arrange for the utilization of outside management consultants where feasible.

b. The Staff is organized in three separate sections; one for each of the Agency's major areas. Each section is headed by a chief who reports directly to the Chief, Management Staff. At present, the



5X9

are considered adequate to provide the professional competence needed.

c. The establishment of separate sections for each of the major areas is intended to increase competence through specialization. The CIA officers who devote most of their time to the management problems of the components of a single area develop a high degree of familiarity

with those components and frequently are able to deal with their problems more effectively. The chief disadvantage in such specialization is the tendency of COM officers to acquire a narrow perspective which prevents the application of sound management principles on an Agency-wide basis. The activities of a single component in the DD/I area are not unrelated to those of other components in the DD/S and DD/P areas and the COM Staff could function more effectively if its members had the benefit of broader experience throughout the Agency. Some degree of flexibility is achieved through the occasional assignment of an individual member from one area to another or through the examination of an "across the boards" activity.

25X1

d. The DD/P section, located in "K" Building, is physically separated from the remainder of the Staff and there is little direct communication between them. The Chief of the DD/P section attends staff meetings of the heads of the components of the Management Staff but no combined meetings of COM officers are held. No provision is made for the discussion of problems of mutual interest or for the interchange of ideas. The separated DD/P section has been established for reasons of "operational necessity." It is believed that proximity and frequent contact with the operating components by the same COM officers makes them more acceptable and permits greater freedom of action. There is some validity in the belief since it is recognized that non-DD/P personnel are frequently considered to be "outsiders" and are given little encouragement or assistance in efforts to accomplish assigned tasks. This may be particularly applicable to COM officers who must also overcome the

natural reluctance of many supervisors to have their management practices subjected to critical examination. However, the COM Staff has been assigned Agency-wide responsibilities which must be discharged as competently as possible and its members can achieve full acceptability more quickly by acquiring a better understanding of the problems of the Clandestine Services and of the needs of the Agency as a whole. A move in this direction would be the unification of the COM Staff under the supervision of a single chief.

It is recommended that:

1. The three separate COM sections be consolidated into a single staff under the supervision of a Chief, COM, reporting to the Chief, Management Staff.

2. Staff meetings of all COM officers be held regularly for the purpose of full discussion of Agency management problems.

3. A training program has been developed for the members of the COM Staff which includes in-service training as well as participation in conferences sponsored by various management organizations. The program also provides external training opportunities but these have not been used. None of the present Staff members has attended an external advanced management course made available through the Office of Training. Such courses would be of value to the COM Staff in maintaining its proficiency, acquiring new techniques and keeping up with current developments in the management field. The program should be accelerated to provide for the assignment of at least two COM officers annually to external advanced management training courses.

It is recommended that:

The COM Staff training program be accelerated to provide for the assignment of a minimum of two COM officers annually to external advanced management training courses beginning with FY 1957.

f. The functions of the COM Staff enumerated above do not accurately reflect the activities in which the Staff is engaged.

Agency Regulation envisions a Management Staff actively and aggressively implementing an established program for the improvement of management and efficiency throughout the Agency. Organization and methods would be a major part of such a program and would require the effective performance by COM Staff of all of its assigned functions. In the absence of a comprehensive Agency management program, some COM functions are not being performed at all and others are being performed satisfactorily but on an ad hoc basis. In the following sections of this report each function is treated separately.

g. Generally, the COM Staff provides a management counseling service. Many of its actions are taken at the request of Operating Officials whenever they feel the need for advice and assistance in management problems. These usually involve organization or reorganization or the development of a method of operation. The Operating Official may accept or reject the advice of COM and, in fact, is not required to seek its advice if he does not choose to do so. The COM Staff may not extend its ~~advice~~ ~~recommendation~~ of the organization or methods of an Agency component beyond the limits imposed by the Operating Official concerned and thus the exercise of leadership and initiative in improvement of management throughout the Agency is relinquished by the Chief, Management.

staff, to the Operating Officials. Occasionally, actions are taken at the direction of the DD/S or the DCIO and in these instances the COM Staff can act with a measure of authority. The results of these efforts usually are more effective in bringing about management improvements than those requested by Operating Officials.

h. Changes in Tables of Organization and personnel ceilings require the concurrence of the DD/S and are submitted to the COM Staff for review and coordination as a matter of course. Proposed changes in T/O or ceiling usually result from changes in functions of an Agency component or a rearrangement of units or personnel to accommodate different methods of operation. The review of these proposed changes requires the examination of all of the functions of the component, its organization, and method of operation. In the performance of this function, COM has the best opportunity to exercise real leadership in the development of sound organizational structure throughout the Agency. Its efforts in this respect, however, fall short of the desired level of effectiveness. The lack of a master plan of Agency organization leaves COM without an objective toward which to direct its efforts. Each proposed change is considered only within the limits of the immediate needs of the component, unrelated to the functions, capabilities or requirements of other components. Furthermore, it appears that COM is not permitted to question the validity or need for the proposed changes but is expected only to provide the means. Finally, the lack of experience in and inadequate knowledge of the Agency's activities on the part of the individual members of COM make it more difficult for them to properly evaluate and justify the proposed changes. As a result, their efforts usually reflect the desires of the Operating Official.

rather than the considered judgment of the Management Staff. Thus changes in organization are made which do not always embody sound principles of management.

1. The OSM Staff has had little success in "conducting work measurement, manpower distribution, and manpower utilization surveys." Its efforts in this field have been limited generally to surveys of clerical or other routine functions which lend themselves more readily to this kind of treatment. The difficulties inherent in the measurement of work requirements and performance for such positions as researcher, analyst, or case officer have not yet been overcome. An additional element of this function is the developing of recommendations as to numbers and types of positions and manpower required. This requires the OSM Staff, in its review of proposed Tables of Organization, to determine how many positions will be required to perform the unit's functions. Having inadequate work measurement or manpower utilization standards to serve as a guide, the determination usually is made rather arbitrarily and frequently depends on the decision of the Operating Official. Furthermore, the determination of the appropriate number of positions is often made without reference to the Office of Personnel which has responsibility for position evaluation, wage administration and position standards. In other words, OSM may decide how many positions are needed to permit a component to perform its functions without taking into consideration the job standards or pay scale that the Office of Personnel may apply.

j. The OSM Staff is charged with responsibility for "conducting research on management techniques and developing and disseminating information throughout the Agency for the purpose of improving management practices and efficiency." Individual members of the Staff attend management conferences and keep abreast of developments in management techniques by reading "trade papers" and publications of business and management organizations. This is a satisfactory method of maintaining proficiency but does not qualify as research for the purpose of acquiring information which will contribute to the improvement of management practices. It would require a planned program of research designed to develop techniques which have application to the Agency's tasks. This is not being done. There is also a considerable body of management doctrine contained in the files of the OSM Staff which has not been reduced to usable form. Possibly the best method of disseminating such information would be through the training courses given regularly by the Office of Training in Basic Management and Basic Supervision. The Staff has made some contribution to these courses but it is largely limited to an indoctrination lecture on the functions of Management Staff in the Management course and material prepared by a former OSM officer on Work Flow Analysis which is used in the Supervision course. This is inadequate performance of the function described.

It is recommended that:

The Chief, Management Staff confer with the Director of Training and agree on a program of more active OSM Staff participation in Agency management training courses.

k. The final function is the "providing of management consulting service to all elements of CIA and arrange for the utilization of outside management consultants where feasible." The OSW Staff has accepted the "consultant" concept as its principal mission and offers this service freely. It has become the major effort and accounts to a large degree for the ineffectual performance of the remainder of the Staff's responsibilities. Advice and guidance will produce results only when it is acceptable to the requestor. To be acceptable, a survey or study prepared under these circumstances must avoid anything disastrous or objectionable such as the elimination of positions or the termination of activities. The end product at best is a compromise which seeks to substitute persuasion for direction. The "consulting service" provided for by the regulation is intended to supplement and not replace the primary mission of the Management Staff, namely, to administer the Agency's management program.

It is recommended that:

The functions of the OSW Staff be revised to reflect more accurately the proper mission of the Management Staff as recommended in paragraph 1.e., above.

3. Records Management Staff

a. The principal responsibilities of the Records Management Staff (RM Staff) are to administer the Agency's Record Management and Vital Materials Programs.

25X9

c. The RM Staff is well organized and adequately staffed to perform its functions. Its personnel give evidence of competence and morale is high. Very few of its members have had previous experience in the Agency or in the intelligence field. While it is not considered to be an essential qualification for records management work, such experience contributes to a better understanding of the Agency's unique problems in this field. Greater use of this Staff should be made as a medium of career development. Experience gained here would be of inestimable value to future senior administrative officers and the Staff could profit by the services of employees who have served in related positions as Area Records Officers.

d. The functions performed by each of the three elements of the RM Staff are described briefly as follows:

(1) The Project Staff is concerned with the development of filing systems, filing equipment and procedures for the maintenance of files; reports management; correspondence improvement; and the Vital Materials Program.

(2) The Forms Management Branch is responsible for the control and standardization of forms; design and reproduction of Agency forms; maintaining an index and identification registry of forms; and conducting liaison with other agencies on matters pertaining to the use of their forms by CIA.

(3) The Records Disposition Branch conducts inventories of records; develops Records Control Schedules; provides technical supervision to the Records Center [redacted] and conducts liaison with National Archives, Library of Congress, and other agencies in matters pertaining to records management.

25X1

e. The Agency Record Management Program is described in paragraph 6 of Regulation [redacted]. Its provisions are derived from several statutes, principally the Federal Records Act of 1950, and Government regulatory issuances which describe the Director's responsibility as the Head of a Federal Agency for the creation, custody, retirement, destruction and archival storage of records, and policies and methods for the preservation of vital documents in the event of national emergency. The RM Staff is implementing this program to the best of its ability but with less than satisfactory results.

f. Although full responsibility for the Agency Records Management Program has been assigned to the Chief, Records Management Staff, he is permitted to perform his functions only in the DD/I and DD/S areas. The DD/P has consistently refused to permit the RM Staff to survey the files or examine the records systems of the Clandestine Services either in Headquarters or the overseas stations. In that area the Chief, RI/FI/DDP has been given responsibility approximately equivalent to that

of Chief, RM Staff but without the sanction or regulative authority. It is beyond the scope of this survey to consider the effectiveness of the records management effort of the Chief, RI, and discussion of this problem must be deferred until an IG inspection of that unit has been made. It should be pointed out here, however, that the divided responsibility for the Records Management Program has impeded its successful conduct and the Chief, Management Staff, has been remiss in failing to seek aggressively a solution to this problem.

g. Within the DD/I and DD/S areas considerable progress has been made. Records control schedules have been developed for most of the components and response to retirement requirements range from fair to good. The Records Center [redacted] is being used at an ever-increasing rate and additional space will be required soon.

25X1A6A

h. The Records Center was established for the purpose of providing a safe storage facility where inactive records could be kept until their ultimate disposal was determined. Materials are removed from current files in Headquarters according to Records Control Schedules and stored in "shelf files" at the Center. They remain available for use if needed and Records Center provides prompt service for the return of files on request. Records Management Staff gives technical direction to the Records Center but the Center personnel are carried on the Office of Communications T/O and all personnel records and actions, budget, finance, and other administrative matters are the responsibility of Commo. This has created, unnecessarily, a number of difficult problems both for Commo and for RM Staff. Such matters as the need for additional space and personnel can only be determined by RM Staff in relation to

the records disposition program. The Office of Communications, however, is required to take action on matters in which they are not capable of exercising sound judgment. The Records Center was assigned to the Office of Communications because: (i) it is [redacted]

25X1A
25X1A

25X1A

It is recommended that:

25X1A6A
Responsibility for and administrative control over the [redacted] be transferred from the Office of Communications to the Management Staff together with present T/O positions and personnel.

1. The Vital Materials Program is intended to identify and safeguard the documentary material and records in the possession of CIA which are essential to its continuing operation and which, in the event of destruction, would constitute a serious or irreplaceable loss. A repository has been established at the Agency's relocation area and a

25X1A

great mass of material has already been deposited there. Agency Regulation [] provides for this program in rather vague terms. The Chief, Management Staff, has been assigned responsibility for providing policy advice and guidance, and for maintaining a suitable repository, but the identification and selection of materials considered to be vital to the Agency's continued operation is left to the three Deputy Directors or their designees. The RM Staff is giving technical supervision to the Vital Materials Repository but, like the Records Center, administrative control has been assigned to the Office of Communications. For the same reasons given in the preceding section, complete responsibility for the Vital Materials Repository should be transferred to Management Staff. The Repository should be administered locally by the Records Center.

It is recommended that:

1. Complete responsibility and supervisory control of the Vital Materials Repository be transferred from the Office of Communications to the Management Staff; and
2. Vital Materials Repository become a branch or section of Records Center and administered by the Chief, Records Center as the senior RM Staff Officer at the site.
3. The identification and selection of vital materials in the DD/P area is prescribed [] Operating Officials are given ample latitude in selecting material for deposit in the Repository and [] the operational data considered essential to the conduct of Clandestine Services activities. Each DD/P component prepares the material in sealed containers for delivery to the Repository through RI/WI. At the Repository a separate space has been provided to which only DD/P personnel have access. The

25X1A

25X1A

25X1A

effectiveness of the DD/P program has not been evaluated by this survey and no criticism is being offered other than to state that the Clandestine Services, as in other phases of the Records Management Program, is conducting its Vital Material Program without reference to the RM Staff which has been assigned Agency-wide responsibility.

k. In the DD/I area, the problem of identifying and selecting vital materials is more complex. In addition to documents and records vital to the conduct of business of each component, the DD/I must select intelligence data for deposit in the Repository. Past efforts to identify intelligence material of vital significance resulted in the deposit of an unmanageable mass of documents and microfilm. The situation is under study by the DD/I staff in an effort to keep the program within reasonable proportions.

l. Much of the vital material contained in the DD/S area is readily identified in the records essential to the Agency's daily operation. Each component of the Agency provides for its own personnel and fiscal records and there remains only the need for each DD/S component to select and deposit the records required for its operation.

m. The effectiveness of the Vital Materials Program was tested in Operation Alert, 1955, with generally unsatisfactory results. Extended delays in the recovery of filed material were experienced and in some instances recovery was impossible. This was attributed at least in part to the improper or inaccurate indexing of material stored in the Repository. There appears to have been misunderstanding on the part of some Operating Officials with respect to the responsibility for indexing and recovery of documents deposited by them. This may be

25X1A attributed at least in part to the unclear instructions contained in Agency Regulation [] paragraph 6.c. Vital materials are deposited in sealed containers bearing an identifying number. The Custodian of the Repository records the numbers and files the containers. He is responsible for the identification and recovery of the container but not of specific documents making up the contents. It is the responsibility of the Operating Official to so index the contents that recovery of specified documents can be made. Improvements made as a result of the experience gained in the last alert will be tested in Operation Alert, 1956.

It is recommended that:

25X1A Agency Regulation [] be revised to clarify the responsibility for properly indexing vital materials held in the Repository.

a. The Records Management Program provides for the appointment of "Area Records Officers" in each Agency component who will have responsibility for maintaining an internal records program. It was intended that suitable individuals would be selected and thoroughly trained in records management practices and that they would then apply their knowledge to the records problems of their offices under the technical guidance of the RM Staff. In a very few instances competent officers were selected but too frequently junior officers with no aptitude for the work were appointed Area Records Officers in addition to other and sometimes unrelated functions. The Area Records Officers are the focal point of contact for the RM Staff and in most offices it has been established at too low a level. The Area Records Officer is without sufficient authority to aggressively pursue the objectives of

the program. His designation as such, however, tends to shift the responsibility for good records management from the Operating Official and as a result little progress is made in records improvement. The Area Records Officer concept should be abandoned and responsibility for records management returned to the Operating Official.

It is recommended that:

1. The designation and appointment of Area Records Officers be discontinued.
2. Operating Officials be informed of their specific responsibilities for records management and be directed to avail themselves of the services of the RM Staff.
4. Regulations Control Staff

a. On 2 February 1956, the Inspector General submitted to the DCI a special report on a survey of CIA Regulations. This survey concluded that the Agency has a workable system of regulatory issuances, in that the types of issuances are defined, the categories of information are established, and intra-office issuances are delineated. The survey further concluded that the system established has not yet been half achieved, and made specific recommendations to accomplish this end.

b. It is important to note, however, that the above referenced survey on CIA Regulations was limited to an analysis of published issuances and did not undertake or purport to be an inquiry into the responsibilities, organization, competence, and morale of personnel and units actually charged with and engaged in the processing of proposed Agency issuances into final publications. The principal unit so engaged is the Regulations Control Staff of the Management Staff.

c. The Chief, Management Staff, is responsible for "administering the Agency regulatory system." This responsibility is spelled out in

25X1A

detail in Regulation [redacted] Agency Regulatory System, 19 October 1953, wherein the Chief, Regulations Control Staff, is charged with a variety of duties which for practical purposes can be stated as advising and assisting all major Agency components in the processing and publication of issuances considered necessary by the respective components. The Regulations Control Staff is no more than a central clearing house for Agency issuances. The Staff has no authority, nor does it have the knowledge or experience upon which to make independent judgments or to take positive action, to amend, reject or otherwise alter issuances submitted for processing. To a large extent the Staff, and therefore the Agency, must rely on the judgment of the initiating component and upon a lengthy process of coordination to perfect a proposed issuance. This system is proving unsatisfactory for a number of reasons. Reactions obtained during this survey indicate a general belief that:

(1) Many regulations are proposed and written by an initiating component with only its own problem in mind rather than for the guidance of the Agency as a whole. As a consequence, the regulations are being cluttered up with unnecessary internal procedures.

(2) Many regulations attempt to cover every conceivable situation, rather than to establish policies and fix responsibilities. As a consequence, the regulations are too wordy and verbose and leave little to the judgment of responsible individuals.

(3) Regulations are too long and there are too many of them. Most people are overwhelmed by the present mass of regulations and

25X1A

(4) The present system of coordination is too extensive and too time consuming. The circulation of drafts is no substitute for face-to-face discussion by interested parties. In addition, many comments are received from components not directly affected by a proposed regulation thus further impeding coordination.

(5) Coordination of regulations is often a major policy negotiation which cannot be effectively handled at the working level without a watering down of key elements to the least common denominator. Present regulations are largely compromises of conflicting views. When compromise is unobtainable, the regulation dies in the coordination process.

(6) The present flood of proposed regulations (30 to 50 per month) is so vast that many components having constructive comments to make will concur rather than consume the time it takes to propose improvements.

(7) There is much verbatim reiteration of Civil Service, Comptroller General, and similar bureaucratic material in the Agency regulations, when in fact such material is much more appropriate for inclusion in Agency handbooks if needed at all. However, since handbooks are more lengthy and are exposed to the same process of coordination, they tend to be more difficult to publish than regulations.

d. The foregoing views are characteristic of widespread opinion within the Agency and to varying degrees have basis in fact. In a sense the many complaints about the regulations can be summed up in one general conclusion; namely, the present system does not represent nor provide for an adequate expression of Agency command policy and thinking.

Regulations are primarily an expression of command policy, and, in the final analysis, regulations applicable to the Agency as a whole must reflect the thinking of the top echelons of command. This responsibility cannot be delegated to the working level with any expectation that positive guidance representative of basic organizational policy will be produced. The Agency regulatory system needs to more directly incorporate the thinking of the Director and other senior personnel.

e. It is too much to expect the Regulations Control Staff, at its level, to accomplish the foregoing. In no sense should these general observations be taken as criticism of the hard working and conscientious group who have done all within their limited power to improve the system. Regulations, in a sense, merely reflect the level of basic managerial competence within an organization and hence one should not view better regulations as a complete managerial panacea. Regulations certainly cannot improve upon basically unsound divisions of responsibility; however, to the extent top management is concerned with an organization's regulation system it will be more apt to uncover and rectify managerial shortcomings revealed in the process of coordination.

It is recommended that:

1. The DD/S assume personal responsibility for the Agency regulatory system and ensure that principal supervisors inject adequate command judgment and policy into the system, both in the approval in principle of proposed regulations and in the resolution of intra-Agency disagreements.

2. The Regulations Control Staff be removed from the Management Staff and attached directly to the Office of the DD/S under the direction of a competent senior Special Assistant for Regulatory Issues.

f. Consideration of the Agency regulatory system cannot ignore

25X1

25X1

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

Next 1 Page(s) In Document Exempt

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

Services. This has precluded the maximum commitment of available resources in the DD/P area to the elimination of the present backlog and bottleneck in the processing of Agency [redacted] publications.

25X1A

It is recommended that:

1. The [redacted] SDA/DDS, and the four Regulations Control Staff personnel presently detailed in the DD/P area be joined into one [redacted] and assigned permanently to the DD/P.

25X1

2. The Chief of the [redacted] SDA/DDS, be commanded by the SDA/DDS for his diligence and devotion to duty in continuing his unremitting efforts to discharge his publications responsibilities in the face of unusually difficult and trying conditions.

25X1

3. Within the DD/S a different picture prevails in the coordination and processing of proposed issuances. There is no special assistant or staff unit responsible for developing and coordinating a uniform DD/S position on proposed regulatory issuances. This function is actually being performed, insofar as possible, by the Regulations Control Staff, with each DD/S component dealing directly with that Staff. Since the Staff has no real authority, and since in practice it cannot take every disagreement up the chain of command to the DD/S for resolution, it has tended to release for coordination many issuances which have subsequently been the subject of non-concurrences within the DD/S area itself. This has been the cause of complaint in other areas of the Agency and is especially detrimental to the efforts of the DD/S to establish itself completely and conclusively as the support element of the Agency. It appears especially desirable for the DD/S to insure that issuances emanating for coordination from the DD/S, which constitute 95 per cent of the total volume, reflect the best possible

thinking and judgment, not just of the initiating component, which may have its own problems uppermost in mind, but of the DD/S as a whole. If the DD/S, through the special unit recommended in Paragraph e. above, can in time develop the knowledge and provide the guidance necessary to prepare issuances for coordination which in fact represent Agency-wide

25X1A [redacted] thinking it will have performed a vital step in forging CIA into one homogeneous organization.

5. Business Machines Services Staff

a. The Business Machines Services Staff is responsible for studying office business machines and related equipment of possible application within the Agency, disseminating such information to all interested components, serving as a technical advisor on business machine applications, and reviewing, coordinating and making recommendations on all requests for the acquisition, transfer and disposal of business machines. In addition, the Chief of the Staff serves as Chairman of the CIA Patent Board, which makes determinations on the respective rights of the Government and employees in patents developed by Agency employees. Recently, the Staff was also assigned responsibility for studying and advising on the use of microfilm and related techniques.

b. The Chief of the Business Machines Services Staff travels widely and keeps in constant touch with the latest developments and techniques in the field of business machines and related equipments, both in industry and in research institutions. Since the beginning of FY 1956, he has visited 21 institutions, manufacturing concerns, and similar organizations engaged in research, development, and production of various types of business machines and related equipment. Among the

organizations visited were National Cash Register, Electromatic, Anderson-Nichols Management Engineers, and Minnesota Mining and Manufacturing Company.

c. As a result of such extensive travel and association the Chief of the Business Machines Services Staff has learned of numerous advances in the field of business machines which offer great promise to the Agency. He is presently exploring the possibility that newly developed computers can be used in certain decision-making processes within the Agency, perhaps in the evaluation of sources. In another field, he is in contact with the MIT Research Laboratory of Electronics, which is continuing to exploit the feasibility of machine translation devices. In another area, a new photoscopic memory device is being developed which can store 20 million digits or characters on a four-inch glass spool, perhaps contributing to the solution of the present Agency file storage problem. A new film sort device for mounting microfilm strips in a usable form is being developed and may overcome some of the present objections of researchers to the use of microfilm data in active files. With these and many other similar devices under continuous study and development, it appears a certainty that advances of significance to the Agency will continue to be made in this field on an increasing scale.

d. Although the Business Machines Services Staff is aware of developments of value to the Agency, it is not effectively bringing this knowledge to bear on problems and areas within the Agency in need of such technical assistance. In reviewing requests for new business machines the Staff is brought in touch with problems and is frequently able to recommend more advanced machine techniques than those contemplated by the requestor. However, this review function is unable to identify

other areas where business machines and methods would contribute to the solution of current problems both administrative and operational. The situation is similar to that faced by the Machine Division, OCR, on which the Inspector General made a specific recommendation in the OCR survey submitted 24 April 1956. Since the Chief, Management Staff, and the AD/CR share a joint responsibility for providing advice and making recommendations to other Agency components in this field, the recommendation contained in the OCR survey is restated in terms applicable to the Chief, Management Staff.

It is recommended that:

The Chief, Management Staff, confer with the AD/CR and agree upon an aggressive program utilizing the joint resources of the Business Machines Services Staff, Management Staff, and the Machine Division, OCR, to search for and identify areas throughout the Agency, especially at the office and divisional level, wherein machine techniques can contribute effectively to the solution of long-range Agency information handling problems and jointly recommend specific solutions as appropriate.

e. In addition to this joint responsibility with the AD/CR for the effective utilization of business machines as applied to information processing problems, the Chief, Management Staff, has a broader responsibility for recommending applications of business machine techniques to other problems of a substantive or operational nature. Progress in meeting this responsibility is dependent upon identifying problems through a much greater exchange and circulation of information about business machines and their potential application to all levels of the

25X1A Agency. Regulation [redacted], Office Business Machines, 10 August 1954, charges the Chief, Management Staff, with "disseminating information related" to business machines and their possible application throughout the Agency. To date, this responsibility has only been met through the personal

contacts of the Chief, Business Machines Services Staff. No effort has been made to supplement his personal contacts by circulating the information available to the Staff more widely through the Agency and by utilizing broader and more systematic means of education and training. DD/P recently made a start along these lines by holding an open house exhibit on up-to-date dictation machinery available from ten different manufacturers. See

25X1A

[redacted]
IT IS recommended that:

1. The Chief, Management Staff, prepare and circulate throughout the Agency informal brochures explaining in simple terms recent advances in and possible applications of newly developed office business machines and related equipment.

2. The Chief, Management Staff, confer with the Director of Training and agree upon a procedure for utilizing the facilities of the Office of Training for educating and indoctrinating appropriate Agency personnel on the activities, responsibilities and potential value of the Business Machines Services Staff.

6. Incentive Awards Staff

a. Within the Federal Government, cash awards for suggestions leading to improved efficiency or economy date back to a 1912 Act of Congress authorizing such payments to employees in the Ordnance Department of the Army. Thereafter, various other Public Laws extended the program piecemeal to other departments and agencies of the Government. In the course of such legislation, provision was also made for awards to employees for outstanding or unusually meritorious performance as well as for awards based upon suggestions for increasing the efficiency or economy of operations.

b. In 1954, Congress consolidated and codified all previous legislation in the incentive awards field into one basic statute known as "The Government Employees Incentive Awards Act" (Title III of Public

Law 763, 83rd Congress), approved 1 September 1954. This Act constituted a firm expression by the President and the Congress that there be a Government-wide incentive awards program, encouraging all civilian employees to participate in the common task of improving the efficiency and economy of Government operations, and providing cash awards to employees who by their suggestions, inventions, superior accomplishment, or other personal efforts, contribute to the --- improvement of Government operations." This statute came into force on 30 November 1954 and, together with regulations promulgated by the Civil Service Commission on 9 November 1954, constitutes the authority and basis for the Agency Incentive Awards Program. The Agency appears obligated to participate fully in this Government-wide program, except in those areas wherein the Director has determined that such participation conflicts with certain of his specific statutory responsibilities, especially as related to the protection of intelligence sources and methods.

25X1A

c. By Regulation [] of 17 February 1956, the Chief, Management Staff, is charged with administering the Agency Incentive Awards Program. He has delegated the staff aspects of this responsibility to an Incentive Awards Staff composed of two professional and three clerical personnel. This small Staff is responsible for the processing of employee suggestions and for providing support to the Agency Incentive Awards Board through an Executive Secretariat. Subject to the limitations discussed below, this Staff is performing its assigned duties in an efficient and conscientious manner.

d. The Incentive Awards Staff is endeavoring to administer the Agency Incentive Awards Program under the provisions of Regulation

25X1A

[redacted] 21 April 1953, and several related Notices. This basic regulation not only antedates the Incentive Awards Act of 1954, but also fails to reflect the present status of the Program within the Agency. For example, the regulation still charges the Director of Personnel with responsibility for administering the Program, when in fact this responsibility was transferred to the Chief, Management Staff, on 1 June 1955. The regulation continues salary increases as a type of incentive award, although such awards were eliminated in the Act of 1954. Notices

25X1A

[redacted] issued in mid-1955, pending revision of the basic regulation, do little to clarify such inaccuracies in the minds of average Agency employees.

e. On 1 June 1955, when responsibility for administering the Incentive Awards Program was transferred from the Director of Personnel to the Chief, Management Staff, the Incentive Awards Staff consisted of

25X8

[redacted] and had a backlog of approximately 800 suggestions on which no action had been taken. By August 1955, the Chief, Management Staff, had increased the Incentive Awards Staff to five personnel and by May 1956 the Staff had reduced the backlog of suggestions to 409.

f. The Staff follows relatively set procedures. It reviews suggestions, refers them to appraising offices, assembles pertinent comments, puts suggestions on the Incentive Awards Board Agenda, and submits a brief to the Board containing specific recommendations for action on each suggestion. During the past year, in order to help cut down the backlog, the Staff has been circulating packets of 10 to 12 suggestions to Board members for direct action. These packets, of which 31 have been

circulated, contain clear-cut recommendations by the Staff for non-adoption of suggestions. This system has proven effective in reducing the backlog without formal Board action. However, there is a strong feeling borne out in part by statistics that the absence of Board discussion and group consideration has mitigated against adoption of an undetermined number of meritorious suggestions.

g. The Incentive Awards Board consists of the Chief, Management Staff, as Chairman, the Director of Personnel, and five rotating members representing respectively DD/I, DD/P, DD/S, Training and Communications. The Board membership was originally fixed by Regulation [] discussed 25X1A in Paragraph 3 above, and hence dates back to a period when the Offices of Communications and Training were separate major components of the Agency. Notice [] 26 August 1955, made no change in this concept and hence the Board membership is drawn primarily from support-type personnel. This situation is balanced in part by a special panel of three members appointed by the Director from the DD/P area to consider suggestions pertaining to operational activities of the Clandestine Services as distinguished from suggestions dealing with administrative processes or substantive matters of a non-clandestine nature. The most recent appointments to this panel are set forth in Notice [] 5 July 1955. The Incentive Awards Board meets once a month and the special panel usually meets about once every two months.

h. A study of Agency-wide participation in the Incentive Awards Program indicates a significant downward trend in the number of suggestions being submitted, with a corresponding decrease in benefits to the Agency both in tangible monetary savings and in intangible employee efficiency

and morale. In FY 1954, 762 suggestions were submitted of which 46 (six per cent) were approved, resulting in an estimated first year savings to the Agency of \$78,461. In FY 1955, 863 suggestions were submitted of which 69 (eight per cent) were approved, resulting in an estimated first year savings to the Agency of \$77,981. In the first nine months of FY 1956, when the full impact of the Incentive Awards Act of 1954 should have been making itself felt, only 420 suggestions were submitted of which 45 (eleven per cent) were approved, resulting in an estimated first year savings to the Agency of \$33,772. The number of suggestions approved in a given fiscal year can be deceiving in that many approvals reflect submissions from a preceding year. This discrepancy in no way alters the basic fact that Agency participation in the Program is decreasing. The seriousness of this lag becomes even more apparent when the record of Agency participation is compared with a Government-wide mean circulated by the Civil Service Commission. For example, in FY 1954, FY 1955, and the first nine months of FY 1956, the Agency had approximately

25X9A2

suggestions submitted respectively per thousand employees, as compared with a Government-wide average during the first seven months of operation under the new Incentive Awards Act of 102 suggestions per thousand employees. During the same period the Agency adopted approximately eight per cent of all suggestions received, compared with a Government-wide average of twenty-five per cent adoption of suggestions received. In other words, Agency participation has been running less than one-half of the Government average, especially during recent months.

* Computations made within the Office of the Inspector General.

i. If the Agency is to improve its comparatively poor re-
a number of specific deficiencies must be overcome. The most importa.
of these are as follows:

(1) A reputation for delay: The tremendous backlog of
suggestions accumulated prior to June 1955 caused such delays in proces-
sing that many employees lost confidence and interest in the Program.
Some suggestions were in process over two years pending final disposi-
tion.

(2) Insufficient consideration of suggestions: Efforts
to reduce the backlog during the past year have caused hurried and
sometimes peremptory rejection of many suggestions, with resulting dis-
satisfaction on the part of some employees.

(3) Poor regulatory issuances: Confusion and misunderstand-
ing surrounding the scope of the Incentive Awards Program has been
relatively widespread within the Agency, partly because of the long
standing obsolescence of Regulation [] and partly because of
uncertainties as to the relation, if any, between awards for improvement
suggestions and awards for meritorious performance. On 31 March 1956,
the DDCI approved a staff study which recommended that awards for
meritorious performance should be part of the Honorary Awards Program
and be managed by the Director of Personnel. Responsibility for sug-
gestion awards remains with the Chief, Management Staff, but this
solution to the problem of managing previously confused programs has not
been reflected in regulatory issuances available to Agency employees.

25X1A

(4) Biased evaluations: Too much reliance has been placed
on the views of appraising offices in determining the merits of a

suggestion. Some offices view employee suggestions as inferential criticism of office management and hence tend to disparage suggestions. The Committee often incorporates and forwards the written comments of the appraising office verbatim to the suggestor, rather than developing impartial third party evaluations and judgment on borderline cases. Employees are quick to sense the absence of independent evaluations.

(5) Poor public relations: Insufficient publicity has been given to the Program, partly because of a reluctance to push for more suggestions at a time when every effort is being placed upon the reduction of the backlog and a clarification of responsibilities. There is also some indication of reluctance on the part of the DD/P to sanction publicity in his area.

25X1A

(7) Penny pinching: The Incentive Awards Committee has tended to be unduly restrictive in approving monetary awards for suggestions entailing intangible benefits. For example, since the beginning of FY 1954, 50 awards totaling \$4,310 were made for tangible savings. During the same period, 127 awards totaling \$2,875 were made for intangible benefits and 16 awards totaling \$1,575 were made for combined tangible and intangible benefits. This record has discouraged employee suggestions of an intangible nature, which in the long run may prove of greater value to the Agency than suggestions related to essentially monetary savings.

(5) Deficient leadership: The personnel of the Incentive Awards Staff lack the grades and experience necessary to deal effectively with senior supervisors, to render sound judgment on the value of many suggestions, and to generally provide impetus and vitality to the Program.

j. From the foregoing it is apparent that the Agency Incentive Awards Program is far from adequate at the present time. The substantial number of suggestions which are continuing to be received even in the absence of such encouragement indicates the potential value of the Program. In a new Agency with many unusual and unique functions the possibility of receiving valuable suggestions must be considered high and should be encouraged to the maximum. Furthermore, there is an obligation upon the Director to comply with and support a Government-wide program initiated by the Congress and strongly endorsed by the President in a letter to the Heads of all Executive Departments and Agencies on 26 December 1954.

It is recommended that:

1. Appropriate Agency regulations, [redacted] reflecting the provisions of the Incentive Awards Act of 1954, the Civil Service Commission regulations of 9 November, the staff study on awards approved by the DCI on 1 March 1956 and other pertinent Agency policies be published as a matter of priority.

25X1

2. The membership of the Incentive Awards Board be realigned to provide broader operational and substantive membership and that the Chairman of the Board convene meetings as frequently as necessary to eliminate the Agency backlog by 31 December 1956.

3. Upon publication of the basic regulation establishing the Program, an immediate and well conceived program publicizing the Incentive Awards Program be initiated by the Staff under the guidance of the Incentive Awards Board. In the event disagreement over the scope of the campaign develops within DD/P, the matter should be referred to the DCI for decision.

4. The Chief of the Management Staff take immediate action to upgrade the professional positions on the Incentive Awards Staff and insure that the positions are filled by the most highly qualified and experienced personnel available.
5. The Chief of the Incentive Awards Staff and the Chairman of the Incentive Awards Board make greater use of independent organization and management studies on the value of suggestions which relate to the basic functions of an appraising office.
6. The Incentive Awards Board establish and adhere to more liberal policies and award scales applicable to intangible benefits in order to stimulate greater employee participation in this important aspect of the Program.

B. GENERAL COUNSEL

1. General

a. The Office of the General Counsel is composed of the



two Assistant General Counsels are located at overseas stations. All professional personnel on the Staff are capable and highly qualified attorneys, and most have had experience in other areas of the Agency. The T/O is flexible and grades are assigned commensurate with an individual's capabilities and experience rather than on a static basis. The Office is administered effectively, morale is high and the work load, though tending to be cyclical, is well within the capabilities of the staff.

b. The United States Government Organization Manual indicates that in most Federal departments and agencies, the general counsel is designated as the chief legal officer of the organization and as such he and his staff are responsible for all legal activities of concern to the respective department or agency. An analysis of the responsibilities assigned to the various general counsels indicate that they fall into four general categories:

(1) Providing legal advice and assistance to the head of the organization.

(2) Providing informal legal advice and guidance to all elements of the organization.

25X9

(3) Performing legal review and approval functions specifically delegated by the head of the organization.

(4) Conducting liaison on all legal affairs, especially in the development and submission of legislation to the Congress.

c. Within the Agency, Regulation assigns the General Counsel "responsibility for all legal matters arising in connection with the official business of the Agency." Notwithstanding this assignment of responsibility, the functions actually performed by the General Counsel indicate that in several significant respects he is not, or is unable, to perform certain essential activities normally expected of a general counsel. The following is a detailed analysis of the actual activities of the Agency's General Counsel in terms of the four general responsibilities set forth above:

25X1A

2. Providing Legal Advice and Assistance to the Head of the Organization

a. The General Counsel is directed by Regulation to "act as advisor to the Director on legal matters." This simple statement does not in itself accomplish the objective. Several other prerequisites are required; first, the General Counsel must be readily available; second, he must be aware of the major problems facing the DCI; third, he must have the knowledge and information desired in usable form; and fourth, the Director must seek the General Counsel's advice.

25X1A

b. At the present time, the General Counsel is not organizationally attached to the Office of the Director as is the case in most other Government departments and agencies, but instead he is attached

to the Office of the DD/S. Both the General Counsel and the DD/S have made it clear that this is primarily for organizational convenience and should not materially affect the General Counsel's direct channel to the Director. In practice, however, this has not proven to be entirely the case. The General Counsel attends the DD/S' staff meetings rather than the DCI's and is thus removed one echelon from a position of providing direct legal advice and assistance to the Director. In addition, there is a growing tendency on the part of the DD/S to utilize the abilities and judgment of the General Counsel in the consideration and solution of purely DD/S problems. In a sense this is manifested by the General Counsel's own suggestion that he provide an informal focal point for the review of regulations initiated in the DD/S area prior to submission to the Regulations Control Staff. This, of course, is useful work and perfectly acceptable up to a point, but when it begins to create a subtle situation wherein the General Counsel begins to think and to act, perhaps unwittingly, as a staff assistant to the DD/S rather than as the General Counsel of the entire Agency, the time has come for a reconsideration of his role.

c. This survey is limited to a consideration of the DD/S and his immediate area and cannot evaluate the relative forces operating at the Director's level to place the Office of the General Counsel in its present position. It is inappropriate to make specific recommendations on this point other than to suggest that in some future over-all evaluation of the Agency's organization, consideration be given to attaching the General Counsel directly to the Office of the Director.

d. The General Counsel and his senior assistants are capable and highly qualified lawyers with many years of experience in the affairs of the Agency and its predecessor organizations. However, working in a highly classified organization, the General Counsel and his assistants do not have the constant stimulation and challenge which characterize many other Government departments and agencies and arise from defending regulations and administrative rulings against constant scrutiny and attack by the practicing bar and the courts of the nation. Nonetheless, the General Counsel has an equally challenging role in developing, interpreting, shaping, providing precedents for and otherwise translating the two basic organic acts of the Agency (the National Security Act of 1947 and the CIA Act of 1949) into vital and meaningful documents. These two statutes are replete with new and unique phrases and terminology of first impression in the law. The interpretations placed on such words and phrases as "coordinating the intelligence activities of the several Government departments and agencies," "services of common concern," and "departmental intelligence" are of vital significance to this Agency. Even more important perhaps are determinations as to the extent of the Director's powers in such fields as reimbursement, confidential funds, termination of employment and protection of intelligence sources and methods. In addition, there are crucial interpretations related to the NSCID's and DCID's to be developed and shaped consistent both with the basic law and with the requirements of the Agency.

e. Admittedly, many Operating Officials assume the prerogative of interpreting such legislation and directives as they see fit.

Nonetheless, it is strongly felt that the General Counsel has an obligation to develop uniform interpretations of the basic statutes and directives governing the activities of the Agency and the intelligence community. The booklet put out by the General Counsel containing the current language of the statutes and certain sketchy explanatory material falls far short of this requirement and is of little value other than as a reference to the statutory language. It may be argued that even if developed, such precedents and interpretations will not be used; however, the need exists and if the General Counsel fills this need effectively he may find an increasing demand for and acceptance of his counsel at policy levels in the Agency. There seems little doubt, for example, that the Office of Scientific Intelligence could have used some well conceived legal advice in recent years in sorting out its responsibilities vis-a-vis military departmental intelligence. This is not to contend that the General Counsel should be the last word in such matters, but it does mean that some consistent and carefully organized interpretation of "national" versus "departmental" intelligence would prove useful in delineating responsibilities for such things as guided missiles, biological warfare and electronics intelligence.

It is recommended that:

The General Counsel discontinue non-legal activities such as rewriting regulations for the ID/S, and concentrate maximum effort on the development of a well organized volume of precedents and interpretations setting forth in an orderly and detailed manner the meaning and significance of the various statutes and directives applicable both to the Agency and to the intelligence community as a whole.

3. Providing Informal Legal Advice and Guidance to All Elements of the Organization

a. It is in this area of providing informal legal advice and guidance that the General Counsel has provided some of his most useful and effective work. Every day a wide assortment of specific legal questions are directed at the General Counsel. These include questions on the validity of contracts, the legality of language training bonuses, the implications of a covert employee's divorce proceedings, the consequences of an automobile or airplane crash involving Agency personnel, the legal status of real estate desired by the Agency and many others. On occasions, the General Counsel finds that requests for assistance lead him into active participation in some phase of Agency operations wherein legal implications may for a time be paramount.

25X1C



It appears perfectly appropriate for representatives of the Office of the General Counsel to forsake purely advisory status and assume temporary operating responsibilities when the nature of the problem and the best interests of the Agency require direct action of a legal nature or a detailed knowledge of the law.

25X1C



25X1C

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

2. The General Counsel confer with the Director of Training and agree upon procedures for using the resources of the Office of Training to educate personnel, especially in the Clandestine Services, on Agency tax procedures and responsibilities.

c. In considering the role of the General Counsel in providing informal advice and guidance, some mention must be made of the need for locating the representatives of the General Counsel's Office in close proximity to the principal users. Experience indicates that when attorneys are close at hand, their advice is frequently sought but that requests decline in direct ratio to the extent of physical separation. Aware of this situation, the General Counsel has achieved a partial solution by locating three attorneys in the DD/P area; one in the Office of Logistics; and two overseas, [redacted]

25X1A6A

These six attorneys located throughout the Agency account for a significantly large volume of the informal advice and guidance being provided on a daily basis by the Office of the General Counsel. It is understood, however, that plans are under consideration to move the three attorneys in the DD/P area back to the General Counsel's main office in East Building. Such a move will materially reduce the effective legal support being rendered to the Clandestine Services and will be a distinct reversal of the DD/S' expressed desire to provide prompt and effective support to the DD/P in all areas for which he has responsibility.

It is recommended that:

The DD/S and the General Counsel explore all alternatives and arrive at a solution which will permit the retention of the present legal service within the DD/P area.

d. The question of how well the General Counsel meets his responsibility to provide informal advice and guidance is, of course,

related in part to the willingness of the various components and supervisory levels of the Agency to seek such advice. There is good reason to believe that by and large, personnel do seek the advice of the General Counsel to an appreciable degree. Surprisingly, the very presence of many former lawyers in key positions within the Agency works in support of this conclusion. Senior personnel trained in the law not only quickly grasp the legal implications of many problems but also recognize that careful rather than cursory study of such problems is often required.

c. However, in the long run, the success of the General Counsel in continuing an effective role in providing legal advice to the Agency is dependent upon the character and quality of the advice provided. In this respect the survey has obtained substantial indication that, in many areas, the Office of the General Counsel is developing a reputation for saying "no" or of placing obstacles in the way of actions proposed by other components. It is strongly felt that in a Government agency, while it is the responsibility of the General Counsel to know about restrictions and pitfalls, it is fundamentally his responsibility to advise and recommend ways of dealing with such obstacles in furtherance of the tasks assigned to the organization. The National Security Act of 1947 and the CIA Act of 1949 gave the Director broad authorities to accomplish certain missions considered vital to the national security. Essentially the Director was given approval to establish such personnel, funding, and contractual procedures as he deemed necessary to accomplish his assigned mission,

notwithstanding any other provision of law. In the face of such broad and necessary grants of power, the General Counsel has nonetheless joined forces with other areas of the DDCI and read into this legislation such concepts as, "the law gives the Director the power but not the authority" to act in certain areas involving, for example, confidential funds. In a sense the General Counsel has set himself as the conscience or protector of the Director and often takes the position that Congress did not intend for the Agency to deviate from standard Government practices except when required by the "peculiar" functions of the Agency. The General Counsel takes the general position that if the Director in any way abuses the special powers granted to him, the Congress will abrogate such powers.

f. This survey does not for one moment contend that uncontrolled and capricious utilization of the Director's special powers should be sanctioned. However, it is contended that the Director should not bind himself by a norm of Civil Service and Comptroller General regulations and procedures which were developed without any knowledge or reference to the special mission assigned to this Agency. It is contended that so long as the Director establishes and maintains sound and equitable personnel, fiscal, and other administrative procedures of his own, the Congress will sanction and approve the continued use of special powers given to the Director to use, not to avoid. It is believed that the General Counsel should take the lead in arguing for the adoption of new and simplified administrative procedures. If Logistics wants to develop simplified contracting procedures, the

General Counsel should show how this can be done and not search for reasons why it is infeasible or unwise to do so.

5. In fact, since contracting, at least in the initial phases of setting up forms and procedures, involves substantial legal questions, the General Counsel should take a more aggressive role in initiating specific recommendations for improving procedures having major legal implications. Admittedly, such a role is a considerable extension of the concept of providing informal advice, but the law office concept of letting the client come to the lawyer should not be carried too far in a Government organization where there is a basic responsibility to resist the growth of bureaucratic lethargy and indifference. A good case in point is the present Employment Review Board Regulation [redacted] which simply states that the Director may appoint an Employment Review Board to advise him. The regulation makes no provisions for continuity of membership, rules of conduct, rights of the individual, or other procedures which the General Counsel considers essential, not only in assuring each individual a fair review, but also in establishing uniform and orderly procedures which are the essence of justice and which are conditioned prerequisite if the Agency is ever required to defend such a separation proceeding in court. Although firmly adhering to the foregoing views, there is no evidence that the General Counsel has submitted his views in writing to the DCI since the regulation was issued on 1 November 1954. In fact, the most recent recommendations on this subject are contained in a memorandum from the Inspector General to the DCI on "Termination of Agency Employees," 24 February 1956.

25X1A

It is recommended that:

1. The General Counsel develop an affirmative attitude toward requests for legal advice and seek to support to the maximum the goals and objectives of operating components.
2. The General Counsel adopt a positive program of making written recommendations to the DD/S and DCI on areas within the Agency wherein procedures and operations having major legal implications may be streamlined and improved.

4. Performing Specifically Delegated Legal Review and Approval Functions

- a. The specific review and approval functions customarily delegated to general counsels of Government organizations usually include approval of contracts, release of information to Congress, investigation of frauds, review of patent claims, and other specific functions which are clearly assigned as responsibilities of the General Counsel in contrast to his informal advisory duties. A review of Agency regulatory issuances disclose a number of pertinent references to the General Counsel. In a few of these regulations, the General Counsel is charged with a specific responsibility. For example, "The General Counsel

25X1

"The General Counsel will approve the legal form of contracts of employment with contract agents and covert associates." However, most references to the General Counsel tend to be vague or generalized statements. For example, "in developing administrative plans it is essential that the Office of the General Counsel participate," or, "on questions concerning political activity by Agency employees the

Office of Personnel will obtain the advice of the Office of the General Counsel whenever necessary." A full tabulation of these references is attached as Tab A.

b. A study of these references makes it clear that in very few cases is the General Counsel assigned specific concrete responsibilities. This may to some extent be inherent in the role of a general counsel; however, it is felt that the present lack of specificity as to the exact role of the General Counsel in a number of areas is leading to unnecessary confusion. For example, Confidential Funds Regulation 4.3 states that, "...in questions concerning the legality of the use of funds, the Office of the Comptroller will request an official ruling from the Office of the General Counsel, which ruling will be final insofar as the legal aspects are concerned." The so-called "legal aspects" of such questions are virtually "most." The Director can expend such funds as he sees fit depending upon the merits of the facts of the situation involved. General Counsel rulings usually consist of an analysis of the facts and hence are not interpretations of law binding on the Comptroller, although the Comptroller likes to have the General Counsel agree with him whenever possible.

c. This diffusion of responsibility is by no means peculiar to the General Counsel/Comptroller but is characteristic of much of the DD/S area. Proposed courses of action all too often require concurrences from every interested party. This is sound staff procedures provided one party has the basic responsibility and authority to act and to force decisions which must be made expeditiously in the interests of the

Agency. The point being made here is that the General Counsel is caught up in the general coordination process without a clear indication of the precise weight, force, and effect being given to his views. The three groups of published opinions of the General Counsel are a good illustration of this point. What exactly is the status of these published opinions within the Agency? Are they binding on all similar fact situations or are they merely for the information and guidance of working level personnel? One is inclined to the view that these opinions are primarily for information and guidance only in that the DCI in at least one instance authorized a payment previously opposed in a nine page General Counsel opinion (Number 55-6, 15 February 1955). The General Counsel should be commended for initiating what can be a valuable guide to working levels in the DD/3, but the status of such opinions should be made clear.

d. On the other hand, there are examples of the General Counsel performing very valuable and effective functions when specific responsibility and corresponding authority are clearly delegated to

25X1C

25X1A

e. It is strongly felt that there are many other concrete areas of Agency activity wherein the General Counsel can and should

play a key role. He has demonstrated his ability to do so when the responsibility is made clear. For example, the Agency has yet to come squarely up against a court proceeding in which an employee separated under Section 102(c) of the National Security Act of 1947 pleads the Veteran's Preference Act in defense. In one well known case, the Agency decided at the last moment, when summoned before a Federal District Judge, that it probably could not make the case stick and hence re-employed the individual. An assignment to the General Counsel of complete responsibility for any personnel case the moment legal proceedings are intimated could well save the Agency a repetition of its previous embarrassment. Furthermore, such an assignment of responsibility would probably induce the General Counsel to develop more comprehensive precedents and briefs ready at hand to guide the Agency in future controversies with the judicial authorities.

It is recommended that:

1. The D/S review and establish in conclusive terms the specific functions which he desires the General Counsel to exercise.
2. The General Counsel conduct a consumer survey of the value of General Counsel opinions, and based thereon, re-issue such opinions in a format which clearly expresses their purpose, status, and use.
3. The General Counsel develop and maintain up-to-date studies and briefs on all law and court decisions bearing upon the interpretation of executive privileges as related to the specific functions and problems of this Agency.
4. Coordinating Liaison on All Legal Affairs, Especially in the Development and Submission of Legislation to the Congress
 - a. The General Counsel maintains effective working relationships with the principal legal offices in a number of Government

agencies whose operations relate to those of the Agency. Most notable among these are State, Defense, Internal Revenue, Immigration and Naturalization Service, and the General Services Administration. In the early days of the Agency, relations with the Immigration and Naturalization Service reached an impasse because neither side appreciated the full force of the laws applicable to the other's responsibilities. The General Counsel took charge of this liaison for several years, established an effective pattern of operation and then returned responsibility for an established liaison arrangement to the Security Office. This can be considered an example of legal liaison work at its best, comparable to the covert tax arrangements negotiated with the Internal Revenue Service.

b. However, in the important field of legislative liaison, the General Counsel no longer has principal responsibility. This separation of an inherent responsibility of the General Counsel is considered unsound on a long term basis and it is suggested that in any over-all review of top echelon assignments of responsibility, the legislative liaison function be returned to the General Counsel where it properly belongs. Notwithstanding this separation from direct responsibility, the General Counsel is continuing to support the work of the Legislative Liaison Officer efficiently and effectively. All bills introduced into Congress are reviewed for possible Agency implication, requests for changes or additions to existing legislation are assembled from various components and submitted to the Legislative Liaison Officer in draft form. All Office of the General Counsel support requested by the Legislative Liaison Officer is fully and cheerfully provided.

It is recommended that:

In any over-all review of top echelon assignments of responsibility within the Agency, consideration be given to returning the legislative liaison function to the General Counsel.

25X1

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3

Next 4 Page(s) In Document Exempt

Approved For Release 2003/08/05 : CIA-RDP78-04718A002000400031-3